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PROCEEDINGS

OF THE

**ELEVENTH
MEETING OF THE GOVERNORS**

OF THE

STATES OF THE UNION

HELD AT

SALT LAKE CITY, UTAH

AUGUST 18-21,

1919

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ORGANIZATION

August 1919 to 1920 Annual Meeting

Executive Committee

GOVERNOR WILLIAM C. SPROUL, Pennsylvania

GOVERNOR SIMON BAMBERGER, Utah

GOVERNOR J. B. A. ROBERTSON, Oklahoma

Treasurer

GOVERNOR JOHN G. TOWNSEND, JR.

Dover, Delaware

Secretary

MILES C. RILEY

Bank of Wisconsin Bldg.

Madison, Wis.

ATTENDANCE ROLL

<i>Arizona</i>	GOVERNOR THOMAS E. CAMPBELL
<i>Colorado</i>	GOVERNOR OLIVER H. SHOUP
<i>Delaware</i>	GOVERNOR JOHN G. TOWNSEND, JR.
<i>Iowa</i>	GOVERNOR W. L. HARDING
<i>Kansas</i>	GOVERNOR HENRY J. ALLEN
<i>Minnesota</i>	GOVERNOR J. A. A. BURNQUIST
<i>Missouri</i>	GOVERNOR F. D. GARDNER
<i>Montana</i>	GOVERNOR S. V. STEWART
<i>Nebraska</i>	GOVERNOR S. R. MCKELVIE
<i>Nevada</i>	GOVERNOR EMMET D. BOYLE
<i>New Mexico</i>	GOVERNOR O. A. LARRAZOLO
<i>North Carolina</i>	GOVERNOR THOMAS W. BICKETT
<i>North Dakota</i>	GOVERNOR LYNN J. FRAZIER
<i>Oregon</i>	GOVERNOR BEN W. OLCOTT
<i>Oklahoma</i>	GOVERNOR J. B. A. ROBERTSON
<i>Pennsylvania</i>	GOVERNOR WM. C. SPROUL
<i>South Carolina</i>	GOVERNOR R. A. COOPER
<i>South Dakota</i>	GOVERNOR PETER NORBECK
<i>Utah</i>	GOVERNOR SIMON BAMBERGER
<i>Utah</i>	FORMER GOVERNOR HEBER M. WELLS
<i>Utah</i>	FORMER GOVERNOR JOHN C. CUTLER
<i>Utah</i>	FORMER GOVERNOR WILLIAM SPRY
<i>Wyoming</i>	GOVERNOR ROBERT D. CAREY
<i>Wyoming</i>	FORMER GOVERNOR JOSEPH M. CAREY

GOVERNORS' CONFERENCE

ARTICLES OF ORGANIZATION

ARTICLE I

The style of this organization shall be the "Governors' Conference "

ARTICLE II.

Active membership in the Governors' Conference shall be restricted to the Governors of the several states and territories of the United States, the term "Governors" to include Governors-Elect Ex-Governors shall be received as honorary members and, as such, shall be entitled to all the rights and privileges of active membership except the right of voting.

ARTICLE III

The functions of the Governors' Conference shall be to meet yearly for an exchange of views and experience on subjects of general importance to the people of the several states, the promotion of greater uniformity in state legislation and the attainment of greater efficiency in state administration

ARTICLE IV

The Conference shall meet annually at a time and place selected by the members at the preceding annual meeting

ARTICLE V

The Conference shall have no permanent president
A Governor shall be selected by the Executive Committee at the close of each half day's session to preside at the succeeding meeting.

ARTICLE VI

There shall be no permanent rules for the government of the Conference in discussion or debate, but the procedure at any session shall be subject to the pleasure of the Governors present.

ARTICLE VII.

The proceedings of the Conference shall be fully reported and published.

ARTICLE VIII.

The affairs of the Conference shall be managed by an Executive Committee composed of three members to be chosen by the Conference at the regular annual meeting. They shall hold office until the close of the succeeding regular annual meeting and until their successors are chosen. Vacancies in the Executive Committee may be filled by the remaining members thereof.

ARTICLE IX

A secretary and a treasurer shall be elected by the Conference at each annual meeting.

The secretary shall attend all meetings of the Conference, keep a correct record thereof, safely keep and account for all documents, papers and other property of the Conference which shall come into his hands, and shall perform all other duties usually appertaining to his office or which may be required by the Executive Committee. He shall be paid an annual salary of not to exceed twenty-five hundred dollars and shall be reimbursed his actual and necessary expenses incurred while traveling on the business of the Conference.

The secretary shall annually prepare and submit to the Conference a budget of the expenses for the ensuing year. He shall make all necessary arrangements for a program for the regular annual meeting and shall edit the stenographic reports of the proceedings at all meetings. He shall, also, so far as possible, co-operate and keep in touch with organizations, societies and other agencies designed to promote uniformity of legislation.

ARTICLE X

The treasurer shall have the custody of the funds of the Conference, subject to the rules of the Executive Committee. He shall deposit funds of the Conference in its name, shall annually report all receipts, disbursements and balances on hand, and shall furnish a bond with sufficient sureties conditioned for the faithful performance of his duties.

ARTICLE XI

Persons not members of the Conference shall not be heard until the regular order of business for the day has been concluded, and then only by unanimous consent. All programs for social entertainment must be approved in advance by the Executive Committee.

ARTICLE XII.

These articles or any of them may be altered, amended, added to or repealed at any time by a majority vote of all Governors present and voting at any regular annual meeting of the Conference.

GOVERNORS' CONFERENCE

ELEVENTH ANNUAL SESSION

MONDAY, AUGUST 18, 1919

The eleventh annual session of the Governors' Conference was called to order in the Tabernacle, Salt Lake City, Utah, at eight o'clock, p. m. by Honorable Heber M. Wells, former Governor of Utah, who introduced, as the chairman for the opening session, Governor Henry J. Allen of Kansas, chairman of the Executive Committee.

FORMER GOVERNOR WELLS--It is a most agreeable duty that I have had assigned to me, that of calling this meeting to order, and introducing to you the master of ceremonies. He hails from the State of Kansas, where the corn comes from, and also many other good things, including prohibition. His name, and his fame, are by no means confined to his own State. In the journalistic field he has been known as a dynamic force for many years, and he is the editor and owner of a great Wichita evening paper, which is well known to most of you.

He is universally popular in his own State, for his many personal good qualities, but more particularly the poor and lowly rise up and call him blessed because of his untiring efforts in the cause of mercy and charity. His unremitting labor and care in behalf of the Red Cross in France won him distinguished honor. He was chosen by the people of his State to be the Governor by an overwhelming majority. I have the honor to present to you as chairman of this meeting the Honorable H. J. Allen, Governor of Kansas.

GOVERNOR ALLEN--Ladies and gentlemen, and fellow citizens: I wish I could adequately express my feelings for all the good things that have been said about me. Governor Bamberger some time since invited us to come here to Utah for our annual Conference. The Governor of Alaska wanted us to go there, to see the wonders of nature, to gaze upon the

wondrous valleys and mountains and rivers and lakes of Alaska, which he said he thought we would much enjoy. Governor Bamberger said that we would see some wonderful things here too, and emphasized the fact that one of the most wonderful things we would see would be the actual results of the triumph of man through all difficulties.

I speak for every Governor here tonight when I express the satisfaction we have all felt that we accepted Governor Bamberger's kind invitation, especially after hearing the strains of this wonderful music in this great and glorious Tabernacle. Having come, we can now appreciate the patience, the courage and the foresight that the pioneers of this State must have had, and through whose efforts and labor it has become possible to build up this wonderful and magnificent city.

We are very grateful to Governor Bamberger and to you for this beautiful concert tonight, and, too, we are highly grateful for all the favors we expect to be ours during the coming week.

I have great pleasure in presenting to you Governor Bamberger, who wants to officially welcome us to Utah.

GOVERNOR BAMBERGER—I am indeed honored to be accorded the privilege of welcoming these distinguished gentlemen to our State, and in particular to this city.

First of all I desire to thank the Mormon Church for having presented for our use this Tabernacle, and having furnished this delightful music. This Tabernacle has been tendered to me as Governor of this State on more than one occasion for patriotic purposes during the recent great War.

We all remember when in April, 1917, war was declared by this great country against the imperial government of Germany, and we all know that this great and glorious country of ours sent the flower of its young men to the front to go to the rescue of those who were then fighting in Flanders, fighting an almost hopeless battle, fighting against hope. It was the encouragement, the support, the courage of the men that this country sent overseas that helped to win the war. Money was to this country no object; ammunition was no object. The other nations were exhausted in every possible

way, and this country was the only one left to make the great sacrifice. Did she hesitate? No! A thousand times, no! And the result has been that you and I, and everyone, can thank God that the piratical government of Germany has been wiped off the face of the earth. What would have been the case if America had not entered the war? Do you realize that if America had not entered the war the tyrannical emperor of Germany would have succeeded in carrying out his intentions to rule the world? Where is he now? He is sheltering himself behind the skirts of an old woman, the Queen of Holland. Is that a man? No, not an inch of a man; he is a coward. We have no cowards in this country, nor in this State. Some of the men of Utah walked hundreds of miles, some came with teams, handcarts, any kind of vehicles, to offer their services to their country.

Think of the great, the wonderful pioneers who first discovered this country; who in spite of all hardships, in spite of all suffering, pushed across the plain until they arrived across the mountains, and when they arrived there Brigham Young said, "This is the place." I want you, gentlemen, whilst you are here, to look around, observe things very closely, and see whether "this is the place" or not. One of those pioneers is ninety-one years of age, and is alive today. When he arrived here he was nineteen, and the other day he requested the Governor to obtain the permission of the War Department for him to go up in an airplane, and the Governor secured permission and off he went up into the air; and I want to tell you confidentially that I don't propose to follow him

We have here 100,000 men working in the mines, all here in the district of Salt Lake, taking out something like 40,000 tons a day. There is the salt in the Great Salt Lake, and we propose that you shall be baptized there, so that you may be pure and clean. That salted sea contains a big per cent of salt, which is being prepared for market in large quantities. We have hundreds of men working there.

We have a number of things of importance to consider at this Conference: the high cost of living—that is certainly very important; the soldiers' settlement act is very important; the disposition of railroads means a great deal to all

of us. And so we shall have to consider that; and, as a matter of fact, we have, as Governors of the various States, to take hold of these things well.

I hope when we have concluded our business, that you may go to your homes and find your people as well and as contented as are the people here in these mountains. There seems to be something about this mountain air that makes the people contented and satisfied. I can safely say that we are all happy and contented here.

GOVERNOR ALLEN—We shall now be honored with a word of welcome from the Mayor of this beautiful city. I have the pleasure of presenting Mayor Mont Ferry.

MAYOR MONT FERRY—Fellow Citizens, Members of the Governors' Conference:

Welcome to the City of Salt Lake. The capital of this intermountain region extends to you the hand of hospitality and of friendship, in all sincerity. We cannot hope that you will leave those states which have sent you here to represent them, and make your home with us, but perhaps when you have finished your labors here, you will agree that Salt Lake City would be your second choice for a home. We all desire to know you gentlemen, and our people are very anxious that you should know us.

I have the firm conviction that there will result from this Conference of Governors, matters of very great importance to us all. Governors elected directly, as you are, and living amidst the industries and activities of your communities, you are in very close touch with your people; you know the sentiments of your state; you see those sentiments crystalized into convictions, and the convictions into law. By your convictions you are able to create sentiment and give it direction.

Our federal representatives sometimes seem to us to be overwhelmed with problems of world-wide importance, and to be pushing into the background the more pressing and more important problems of domestic concern. You will no doubt bring into this Conference the judgment, and even the demands, for legislation which, if presented to our Congress,

should and will receive prompt attention. Perhaps the years which are confronting us are not less critical than were those other years immediately preceding the war. You Governors, and all who, like you, represent the people of the various States, must instruct the people.

Gentlemen, again I welcome you. I am sure that His Excellency, Governor Bamberger, has arranged a program of amusement and entertainment that will meet with your approval. May your Conference be productive; may the result of it be matters of great and lasting benefit and may your spare time be full of pleasant and interesting memories.

GOVERNOR ALLEN—We are to have a response to the kind words of welcome addressed to us by the Governor of Utah and the Mayor of Salt Lake City. Governor Bickett of North Carolina will respond in behalf of the Governors.

GOVERNOR BICKETT—Mr. Chairman, Ladies and Gentlemen:

As I listened to this wonderful music here tonight, and heard Governor Bamberger's and the Mayor's warm words of welcome, it seemed to me that they had not only extended to us the hand of welcome, but the heart as well.

I am somewhat in the position of the old lady from North Carolina who went to Washington City, and was asked if she was going out that night to see the sights, and she replied, "Well, I am too tired to go out tonight, but I do feel it is pretty here."

It was very thoughtful of Governor Bamberger to give us this wonderful feast of music for we all know that since the first of July, music is the only intoxicating thing that can be had.

There is just one qualification that I have for responding to an address of welcome, and that is that there is no one who likes to be welcomed any more than I do. I appreciate from my heart, and I am sure I speak from the hearts of the other Governors present, the kind, the generous and the royal welcome which you have given us from the moment we arrived in your state. Other men might be able to put it to you more formally, but the only phrase I can think of at the

moment is that you have made me feel, since I arrived in your midst, just like I was at home in the heart of my own state.

We are all interested in the wonders of Nature and in the wonders of art which are around us here today, the triumph of human genius in surmounting seemingly unsurmountable and overwhelming obstacles; and in looking round your city I am reminded of the story of a lawyer who went to Heaven and when he arrived there did not seem to be able to find any people from Salt Lake City. He was somewhat surprised. Naturally being of an enquiring turn of mind, as most lawyers are, he asked the guide what was the matter; why it was that he found no man in Heaven from Salt Lake City, and the guide said, "You are mistaken about that; we have them here by the thousand," and the lawyer said, "Where are they?" The guide took him down a back street and they came to a great stockade wired round with an enormous amount of barbed wire, and he said, "They are in there." The lawyer said, "That looks like a jail; you don't keep folks in jail in Heaven, do you?" and the guide replied, "We have to keep these folks from Salt Lake City in jail up here to keep them from going back home."

We hope, ladies and gentlemen, that you will enjoy our stay in your city as much as I know we are going to enjoy it. You will find us a good natured crowd, because no Governor envies another Governor his job. There is not a Governor here that would swap jobs with me for forty dollars an hour, and I unhesitatingly say that I would not swap jobs with any other Governor for fifty dollars an hour. Each of us considers that he is the Governor of the very finest state in the Union. And so we are all happy, and we get along beautifully together; there is no enmity, malice or ill-will amongst the brotherhood of Governors. I wish that feeling could be diffused throughout the length and breadth of our land; let us all become brothers, animated by a common brotherhood, and a common intention to do the best we can for the land we all love so well.

Governor Bamberger spoke about the war. We got out of that war something that cannot be capitalized in dollars and

cents. That war brought the different sections of the Union into more intimate relations than they have ever known since Christopher Columbus first discovered this continent. The soldier found out for himself that no particular section of this country, and no particular class of population, had any monopoly of brains, or courage or character. Soldiers met in camps on the high level, rich and poor, they ate the same food; they lay on the same floor; they slept in the same bunk; they were ground together in all the mills of war, and in the great hour of need, over there in Flanders, men from every shade of society, men from every section of this land, stood shoulder to shoulder in resisting the enemy, and took their fate in their hands like the brave lads they were; all of them stood in the blood red line together, and side by side they fell, rich and poor alike, and passed into the hands of their God. It seems to me that the feeling of this country, as the result of those boys sacrificing themselves over there, is that we should all go side by side, press forward in love and admiration the one for the other, shoulder to shoulder, so that we may reap the great victory which was won over there, and make this land of ours one which can command the peace of the world to last.

TUESDAY, AUGUST 19.

IN THE HOUSE OF REPRESENTATIVES CHAMBER, STATE
CAPITOL, SALT LAKE CITY.

MORNING SESSION

GOVERNOR ALLEN, Chairman—Through a sort of informal arrangement it was suggested that for this morning the special order of business would be first an informal discussion of the high cost of living, and then if there is time before the adjournment for luncheon, we can have read the papers on the state budget prepared by Governor Philipp, of Wisconsin, and Governor Harrington of Maryland. In my opinion there is no more important subject which could challenge the immediate attention of this Conference than that of the high cost of living. Governor Gardner of Missouri has given the

matter consideration, and has a proposition to place before us. I will now call upon him.

GOVERNOR GARDNER—Governor Allen, and Gentlemen of the Conference: As chief executives of the respective states which we represent, we have been called upon during recent years to deal with many perplexing and complicated questions. I feel that today the nation is confronted with perhaps as great a crisis as that which existed during the recent war. It must be clear, even to the most casual observer, that there is a great spirit of unrest in our land. This is not confined to any one section, but it is practically general all over the country.

Many reasons have been assigned for this, the principal one being the high cost of living. The laboring man has felt that he must have increased wages; increased wages means general and increasing cost of production; and increased cost of production generally calls for another increase of wages, and that goes on down the line, with the result that the procedure has been found to be without any good results.

I have felt that the Governors of the several states were all very deeply interested in this subject, and have felt deeply interested with them in attempting to find some solution, some ground on which the State authorities may work in harmony to combat the present existing evil.

Now, as to the causes of the high cost of living: I have noticed that those who have studied the subject have advanced many different theories. Some say it is caused by an inflated currency; some say it is due to our unprecedented exports; others lay it to shortage of production; others to profiteering; others to the uncertainty of the final termination of the peace terms; others to personal extravagance; and still others to the national and world-wide decrease in value following the waste and destruction caused by the great war. Many of course say that the situation is due to a combination of the foregoing.

Now, I feel there are brains enough in America, and that there is patriotism enough in America, amongst our people, to find a solution of the difficulty and to apply a prompt and efficient remedy. I felt, when I came here, that there would

be more or less difference of opinion amongst us as to how the States should approach the subject, but I felt sure that we would agree that it was a subject in which the State and the Federal authorities should work together with the view to finding a solution.

It is largely a national question. If a single State lived within itself, that is if the State produced all that it consumed, the subject could be readily adjusted. The fact is, however, that the States do not produce all that they use; for instance this State uses cotton, yet does not produce it, and so, all-in-all, it becomes an interstate and national problem.

I telegraphed to Attorney-General Palmer that I was on my way to this Conference, and should be glad to know if he had any definite plans to submit to the Governors in conference, and suggested to him that it would perhaps be practicable that the Governors' Conference should select a committee to visit Washington and ascertain by what means the States could and would co-operate with the Federal Government at Washington. I have received a reply from him as follows:

WASHINGTON, D. C., Aug. 17, '19

HON. FREDERICK D. GARDNER,

GOVERNOR OF MISSOURI, CARE HOTEL UTAH, SALT LAKE
CITY, UTAH.

I THANK YOU VERY MUCH FOR YOUR SUGGESTIONS. HEARTY COOPERATION IN GOVERNMENT PLAN TO SECURE APPOINTMENT OF FAIR PRICE COMMITTEES AND THE ASSISTANCE OF STATE AGENCIES IN THEIR WORK WOULD BE GREATLY HELPFUL. I CORDIALLY CONCUR IN THE IDEA OF HAVING THE CONFERENCE OF GOVERNORS ELECT A COMMITTEE TO VISIT WASHINGTON WITH THE VIEW OF SECURING ENTIRE HARMONY BETWEEN THE FEDERAL AND STATE AGENCIES IN EFFORT TO REDUCE THE HIGH COST OF LIVING.

A. MITCHELL PALMER.

Acting upon that telegram I have been in consultation with some of my associates, in an informal way, and we have drawn this statement, which I propose to submit to you here:

"The Governors of the States of the United States, in Conference assembled at Salt Lake City, Utah, this 19th day of August, 1919, declare:

"That we recognize in the high and in many instances the excessive cost of necessities throughout the Nation, the cause of much of the unrest now prevailing;

"That it is highly important that prompt and effective action be taken by Federal and State authorities to the end that the situation may be remedied;

"That it is, therefore, the sense of this Conference of Governors that, in addition to exercising all power and authority vested in the States, a committee of seven Governors be selected to forthwith go to Washington to confer with the President, with a view of ascertaining in what manner the States may best co-operate with the National Government in remedying the situation, and at once advise the Governors of the several States of the results of their conference with the President, and if, in their judgment necessary, again convene this Conference at a time and place to be determined by them."

I submit the telegram from the Attorney-General, and this statement of the declaration by the Governors, to the Conference, for your consideration, and move its adoption.

GOVERNOR SPROUL (Pennsylvania)—I second the motion. Motion put and carried unanimously.

THE CHAIRMAN—In what manner do you suggest we appoint the committee?

GOVERNOR GARDNER—I would suggest the committee be appointed by the chair.

THE CHAIRMAN—I feel then that I should appoint Governor Gardner as chairman of the committee, Governor Miliken of Maine, Governor Sproul (Pennsylvania), Governor Burnquist (Minnesota), Governor Bickett (North Carolina), Governor Stewart (Montana), and Governor Campbell (Arizona.) (For report of this committee see appendix "A". p. 150.)

THE CHAIRMAN—What other business should come before the Conference before we proceed with the regular program? Do you wish to have the minds of the committee enlightened on the subject, by discussing what the various States are doing in the matter?

GOVERNOR GARDNER—Yes.

THE CHAIRMAN—I think, gentlemen, that this committee would be very glad to hear what is being done, or being contemplated in the several states.

GOVERNOR STEWART—Gentlemen of the Conference: I am greatly pleased at the action of the Conference in this particular matter, because in our State we have recently had a special session of the legislature at which the subject of the high cost of living, and kindred matters, was under discussion. Our legislature passed a law making our Board of Railroad Commissioners ex-officio Trade Commissioners for our State, and gave them authority to investigate market conditions and regulate prices. It is more or less an experimental matter.

Last winter, when we investigated the matter, we felt the time had not arrived for drastic action. Nevertheless there was recognized the very decided necessity for something along the line of regulation. The result was that we appointed a Trade Commission with power to investigate. That commission made considerable investigation, but of course it had no authority to do anything other than to report back what it had ascertained. Then when the special session of the legislature was convened a short time ago the report of the Trade Commission was available, and the necessity for action seemed even more imperative.

Now our commission consists of the Railroad Commission of three members. Our bill provides for a market investigator and his necessary assistants. They are just getting organized and in shape to do business. We, of course, realized that the bill conferred, or attempted to confer, very broad authority.

I have had several conferences with the members of the commission, and they are anxious to get started right; they

don't want to make mistakes or do anything drastic or unfair, but they do want to get substantial results. They realize that a large part of the work to be done along this line must be done by the Federal Government. Perhaps the power of the state is not adequate to handle the situation, and if not, then the Congress of the United States will be called upon to pass further laws. Nevertheless there is a large amount of work which can be done by the States. There should not be a duplication which will bring about a counter-effort of any description on the part of the Government.

I know that our commission will be more than pleased to learn of this step to get the Governors of the various States lined up together.

I presume that every State legislature will be called upon to consider this matter, and it is an important matter, as Governor Gardner has well said. It is not only an important matter, but it is a matter on which we are all agreed as to its seriousness and as to the necessity for appropriate action, but just what that action should be on the part of the State, just what can be done by the State to uphold the Government—to back up the Government activities—is something which will have to be considered as time goes on.

I am sure there ought to be a great deal of good result from the conferences of the committee.

I appreciate the fact that the Chairman has been good enough to put me on the committee, because I feel that with our commission organized and ready to do business, we are anxious to get to business and get started right, and we are ready to start when we learn what we can do and how to do it.

GOVERNOR SPROUL (Pennsylvania)—Mr. Chairman, and Gentlemen of the Conference:

May I just say that the Attorney-General of the United States is very much in earnest in this matter. He regards it as one of the most important matters he has ever had before him. I have talked to him recently on the matter, and he is not only a personal acquaintance, but he is also a lifelong friend of mine, and an old college chum, and we know each other well. I am sure this committee will find that the as-

sistance of Attorney-General Palmer will be very great in anything they require, or desire to attempt. He has a pretty good view of the matter, and the way in which he went to work at his last great public duty, that of alien property custodian, the energy and patriotism which he disclosed in that important work, is a pretty good indication of what his help will be worth in this great emergency

In Pennsylvania we have given a great deal of attention to this question, and the conditions there have not been quite so acute as I believe they have been in other places, although they have been quite bad enough.

We have in our Agricultural Department the Pure Food Bureau and the Bureau of Markets, which have been recently created, and which are giving particular attention to this matter. At the last legislature the Council of National Defense was established as a Commission of Public Welfare. This body is constituted of State officers, including the Governor who has authority to add to the body by making local appointments. We have a liberal appropriation in the matter, and are making plans to continue, as far as possible, the agencies in the various counties which were so effective during the war, not only in carrying out the conservation of food, etc., but of directing in the right way in all matters requiring attention at the time.

We think that the plan suggested by the Attorney-General of the reviving of these food boards, with the co-operation of our State and local authorities, and the publication in all the principal communities of fair prices, with fair amount of publicity of large and small profiteers, will be of great value in this matter. It will have a great psychological effect. It has already had a good result in bringing down prices, and we believe by carrying it out and putting the power of the State, and organizing the public sentiment, back of the efforts of the Attorney-General, that we are going to get very prompt results in Pennsylvania.

GOVERNOR HARDING—This is one of the vitally important matters before the United States today. I think there is little doubt in the minds of any of the citizens of this country, that advantage has been taken of the situation to make un-

due profits. There can be little question in the mind of any one that there is a shortage of food necessities and clothing necessities throughout the world. I think, however, that we ought to be careful not to open up the storehouses unnecessarily and throw the products on the market at this time. I have a faint recollection of a boyhood story of some one named Joseph, who then had the power of control over food supplies, and, as I remember the story, he saved up during the fat years, for the lean years, and I am a little apprehensive that if we open up the storage today, that in six months from this time we might be in a serious situation not only in this country but throughout the entire world. The supply is short, and in our enthusiasm to immediately reduce prices we may work a great injury to our people.

I am satisfied in my own mind that the producer is not receiving too much at the present time. I am also satisfied that labor is not receiving too much at the present time, but on four-fifths of the staple articles, such as bread, flour, food and clothing, there is such a vast difference between what the original producer receives and the ultimate consumer pays, that I am convinced someone is taking undue profits.

Part of that fault is with the public. For instance, in shoes the public is demanding particular styles with excessively high heels and uppers and other frills that mean and result in great waste. I refer to shoes as but one example; the demand is the same in many other lines. These wastes and extravagances the public is to blame for; but there is a lot for which the public is not to blame. There is a lot for which the Federal and State authorities are to blame. They have not looked and delved far enough into the causes.

I think the time has arrived when every State should have a market department, and when the Federal Government should have a market department. No individual in this country, outside of those selfishly interested, can say at a given time what is the food, the meat, or the flour supply in this country; and that ignorance on the part of the people and on the part of their representatives makes profiteering possible, and, worse and more of it, profiteering is not a crime

in this country. But if we had full information today of what and just where the food supply is, the problem would be easy of solution.

We have spent millions of dollars and a large amount of energy in attempting to increase production, and we have succeeded. We are now left at the mercy of those who are in a position to fix prices.

I am firmly of the opinion, and I know I run counter to many on the subject, that there should be a Federal law absolutely prohibiting gambling in foodstuffs and supplies. As an illustration, my State ordinarily produces 350 to 400 million bushels of corn. We have had some men come over there from Kansas who buy up the available supply, and immediately up goes the price of corn within two days. That is creating an unfair market. That sort of thing, where they are dealing with the necessities of life, the very fundamentals of man, should and ought to be stopped absolutely. That sort of thing possibly cannot be stopped in an hour, but with Congress in session, and with everyone willing, it ought to be possible within a few days.

In my own State we have some statutes against food trusts and combinations. We also have a statute which furnishes a witness with an immunity bath. Acting on this the county attorneys were called together, and the food departments and the other departments of the State were called in. We are gathering information, and if we find that there are any who have violated the statutes, we intend to give them board and lodging for a period, and regulate matters that way.

Whether there is any gambling or not, I am not able to say definitely at this time, but I am sure there is a willingness on the part of the Federal and State authorities to ascertain this, and we are all working in harmony.

The chief thing is to find out the causes; to find out the reasons for these people being able to make these unnecessary profits, and then to eliminate them. I am satisfied in my own mind that with a vigorous market department with authority to gather information and to know and publish the amount of food and other materials on hand all the time in this

country, and with a statute against gambling in food products, we can re-establish the law of supply and demand in this country, and as I understand it, both democrats and republicans agree that there should be enacted all necessary legislation.

GOVERNOR FRAZIER - There is no doubt but what the investigation presently being carried on by the Attorney-General will have a right good effect, and if the Federal Government will in some way prevent hoarding and profiteering, it will undoubtedly help.

The investigations of the past seem to me to have had a tendency to put down the prices of foodstuffs produced by the farmers of this country, but have stopped there. They have worked a serious hardship upon the food producers and have left the other producers as they were. I think that the food products are not the only things that should come down other necessities, such as clothing and wearing apparel, machinery, lumber, and iron and steel products, should be brought down also, in proportion with other products, because they are things which are required in daily life, and if there is an excessive price allowed on these it works a great hardship on the workers and producers.

Now in North Dakota, we are trying out co-operative buying and selling organizations, and I believe they will be of great assistance along these lines and bring the producer closer to the consumer, and will cut out the unnecessary middleman who now makes a great deal of profit in the handling of the products. I saw a report recently where a housewife had got a crate of fruit from the south for which she paid \$3.65, and in the bottom of the crate she found a note written by the wife of the fruit grower in one of the states of the south, and the note said, "We received fifty cents for the fruit in this crate, and we would like to know what the actual consumer paid." It cost \$3.15 to handle that crate of fruit, and there are a great many instances of that kind which should be investigated and unnecessary handling of the product should be eliminated. Further than this, if profiteering in food stuffs and other necessities is not a crime in the United States it should be made one at once. In my opinion

there is nothing more harmful, nothing more criminal, than profiteering in foodstuffs and making the families of working people go hungry because they are unable to pay the high and unnecessary prices demanded for the bare necessities of life.

We also propose to operate a flour mill. It is proposed to buy wheat at milling value, to grind the flour, and to sell same and the by-products at cost plus operating expenses and a slight percentage for sinking fund to pay the state bonds. We believe in that way we shall be able to curtail prices, by eliminating the middleman, who now makes substantial profits.

We also have a state bank which will lower the rate of interest to the producers, so that they will be able better to finance themselves in the raising of their crops. We believe in that way also that we can increase production and help to lower the prices.

In my opinion, state ownership, state control, and government control of the larger utilities will work for the benefit of the common people.

In order to make that successful it would be necessary to have the state or the national government in control of the people, too; if not it won't be successful. If any utility is operated for the benefit of special interests, and not for the benefit of the people, it will not be a success; and the same with the state, or government ownership. If they are operated to benefit special interests, they won't operate to the benefit of the rank and file of the people, and public ownership will be a failure, but I cannot see why, in this day, the majority of the people should not rule and should not have something to say in the control of these public utilities that affect them directly.

The present system of doing business, it seems to me, is largely at fault, for the high cost of living. For instance, if a city or town has eight or ten times as many stores as are actually necessary, that is bound to raise the cost; and where there are a dozen times as many delivery wagons as are necessary for the proper handling of the goods, that is also bound to raise the costs. The system should be changed, and

some system worked out that will better serve the people, and whatever system can be worked out that will serve the greatest number of people should be all means be adopted.

GOVERNOR SHOUP (Colorado)—We have discussed this matter fully in our State and the government appointed a committee to investigate everything. We thought we had sufficient laws in Colorado to enable us to handle this proposition, but to make sure we made enquiries to the county and district attorneys. We were promptly advised that we were lacking in laws and had proceeding mostly on belief. The attorneys advised that we had no laws in the state that would be effective in coping with the situation.

We sometimes confuse the high cost of living with the cost of living high. Not long ago I visited southern Colorado and there learned this of a miner who had been injured in the mine: when they were about to remove him to a place where he could be better taken care of, he refused to ride in the fire wagon, because he thought he was entitled to something better.

I am very anxious that the laborer should get his full pay and consideration. But surely we are developing some extravagant habits.

The Governor of Iowa pointed out something which I approve of, and that is the necessity for ascertaining information relative to the available supply of foodstuffs. I understand the Attorney-General of Colorado has investigated and has ascertained that there are no excessive storages of foodstuffs in our State. If that is so, if there are no large stocks, it is well for us to take heed, and not attempt to do anything precipitately, for as you know, the crops will not be all that they should be this year.

I am sure that Colorado will be much interested in the result of this deliberation on the part of the Governors' Conference.

GOVERNOR BICKETT—The most important work we have on hand at the present time is to ascertain the cause of the high cost of living and then apply a remedy. All a doctor can do in a case of emergency is to make a correct diagnosis of the

trouble, and treatment generally follows, as a matter of course; and it seems to me that this Conference wants to develop some very definite views as to the cause, the fundamental cause, of the high cost of living.

I am satisfied that all of the items mentioned here today have something to do with the present condition of things, because they are not local, they are world-wide. I think there is no one particular problem which can be charged with the existing condition. Undoubtedly food hoarding has something to do with it as has been suggested here, but, as the Governor of Iowa has pointed out, it would be a great mistake for the Governors to place the seal of condemnation upon all storage and warehouse facilities, because in the absence of those facilities there would be the most violent fluctuations on the market, and the producer would suffer losses that would amount to such discouragement as to drive him from the field. Eggs used to sell at twenty cents per dozen. I have personally bought them at that price. Judging from the present prices asked for that commodity, it would appear that a hen cannot do business for that return today.

There must be some means of laying by the surplus of eggs, and of all other food products.

We are now engaged in a serious effort to provide warehouse facilities for our cotton. The practice heretofore has been to dump within ninety days the whole of the fourteen million bales of cotton produced in our state, and no market in the world can stand up straight under such a load as that. We don't want to create any corner in cotton, but we want to be able to provide such facilities as will enable us to distribute the sale of the year's crop of cotton throughout the entire year, and get the best price that the law of supply and demand will justify. We believe that will prevent the fluctuation in the price of cotton. There is no reason in the world why cotton should be selling at twenty cents a pound in February and twenty-five cents a pound in July. These fluctuations are brought about by artificial conditions of things, and are of no benefit whatever to the producer of cotton, or to the manufacturer, and certainly when the consumer buys

the cotton he has to pay a price based upon the highest level that can be obtained.

I think there should be some legislation by the Federal Government that will prevent speculation, but it would be a mistake to discourage those provisions for holding the products of the farmer until such time as they can be made into a profit.

The farmers are today complaining, or rather are asking a lot of serious questions, as to why they should be required to work fourteen hours a day for present returns, and that is what they work when they work at all, they work from twilight until dark. They are now putting up to us the serious question as to why they should be required to work harder to increase production in order to enable men to live more cheaply who only work eight hours a day. They don't understand that, and they will not be satisfied with any such condition as that.

I think there is one very definite contributing condition in this situation, and I should like to voice it to the conference here, and that is the friction which exists today between labor and capital. The friction in our section is more responsible for the existing unfavorable condition of things there than any other one cause.

War is always expensive; necessarily it is waste in its very essence; the world has had some recent experience. Industrial warfare is just as expensive as physical or military warfare. We are trying to send brute force to the scrap-heap, that it shall be no longer in vogue as the means of settling disputes between the governments of the world. Now it seems to me a very curious thing that at the very time when the thoughts of the whole world are against the settlement of disputes between nations by brute force, that there is a universal tendency to settle industrial disputes by brute force. A lock-out by capital is war from end to end. A walkout by labor is war by labor against capital. In each case it is an appeal to brute force. In each case it is an attempt by one side to harm or destroy the other side, and neither a lockout nor a walkout bears any relation to wisdom, or to adjust-

ment. Neither tends to prove the wisdom or the equities of the issue involved.

This eternal friction between labor and capital, all must agree, decreases production—stops the production of those things we need and interrupts earning capacity of the men.

I read a book some time ago, written by a man who has devoted his life to the study of this question. He gives as his opinion (I thought he was probably rather too strong), that on account of the lack of the spirit of co-operation between the men who work with their hands and their brain, and the men who work with their money and their brain, production in the past has not been more than forty per cent efficient, certainly not more than sixty per cent efficient.

A strike on the job is dangerous and harmful, and it seems to me that the great question that confronts this country today, and also the whole world, is to bring together the men that work with their hands and their heads (because the laborer must work with his head, as well as his hands, if he works well), and the men who work with their money and heads, and make them understand that it is in their interest and in the interest of the entire community that they should work in harmony together, because all the prosperity of all people engaged in any enterprise depends on the spirit of mutual co-operation.

If I have a dispute with my neighbor about a piece of property, or any other thing, it may involve every dollar I have in the world. If I lose that dispute in the courts it may mean that my family and myself will be relegated to the poorhouse. It may mean the same thing to the other man, it may mean everything to both of us, and yet we are not allowed to decide that point by battle, as they did in the days of common law in England. We are not allowed to go out and fight it out until the stronger man wins, but no matter how grave may be the result to both of us, we are compelled to come into a court of the people and abide the decision of a fair and impartial tribunal. Yes, it even goes further than that—a man's very life may be involved; he may be accused of a crime that he knows he did not commit; he knows he was nowhere in the community at the time the crime was com-

mitted, but he may be indicted, and he dare not say, "I was not there; I won't go to the trial; there is nothing to try. Why try me for something that I had absolutely no connection with?" He is not permitted to say that. Although it involves his very life, he is compelled to come and submit the issue to an impartial tribunal.

If therefore, we have the right to compel an individual to submit his case to the judgment of an impartial tribunal, although it involves everything, including perhaps his life, what lawful or logical reason is there against compelling an aggregation of men, whether capitalists or laborers, to come into court and submit their differences to the judgment of an impartial tribunal, and abide by its decision? Their differences involve more than the life of any one man, or the property of any one man; they involve the lives and the property of the entire community, or the entire State or Nation.

I am just as much interested in the running of a railroad as the man who owns the majority of the stock, or the man who sits with his hand on the throttle. My interest is just as vital as his is, and I think these men, or aggregations of men, ought to be compelled to come in and submit any differences they have to the judgment of all the people, through a properly constituted tribunal, because if we once get away from the fundamental principle, that we cannot compel any man, or any set of men, to submit to the judgment of an impartial court, then we are getting back to the law of the dark ages when the theory was "let him take who has the power," and "let him keep who can."

It seems to me this goes to the root of the whole matter. Men strike for higher wages, and higher wages increase the costs of production, and increased cost of production means increased price to the consumer; and so you have the eternal cycle, and nothing is accomplished. If we had the means of bringing about a peaceful settlement of these industrial disputes, industrial war, with all its waste and harm would be avoided.

I know there was a time when capital was in a position to say to labor, and did say it, "If you don't like my terms you

can go to blazes." Undoubtedly that was true, and now the time has come when labor can say to capital, "If you don't like my terms you can go to blazes." But all the time labor and capital are both unmindful of the fact that whether labor goes to war by a strike or a walkout, or capital goes to war by a lockout, that in either case labor and capital are going to war against the people upon whose success and prosperity the wealth and well-being of the nation depends. Whatever the ultimate result of these strikes, lockouts, or walkouts may be, it is the public at large that suffers, the public at large that has to pay the bill.

THE CHAIRMAN—I find that we can spend not more than fifteen minutes more on this subject.

GOVERNOR BURNQUIST—I wish to make this short statement: in Minnesota we have the Department of Agriculture, which is making an investigation at this moment. The commissioners of our state have appointed committees, and special sessions of the legislature will be held to keep in touch with and abreast of the matter. I hope the committees which have been appointed are working by this time.

I appreciate greatly the privilege of serving on the committee that has been appointed to go to Washington, and trust much good will be obtained as the result of the conference.

We have requested labor and capital to get together in our state prior to the special session of the legislature, and we trust this will tend to facilitate the dealing with the subject.

GOVERNOR CAMPBELL—In Arizona there is very close consultation between the Attorney-General and the various county attorneys. A large number of men are at command and they are now making an investigation of the wholesale and retail prices of foodstuffs, etc. We have also restored the food administration organizations working in co-operation with the United States Attorney-General. This was very effective during the war, and they have already organized their forces and are working at this time ascertaining the costs of food products. Incidentally, one of the officers went to one of the nearest army posts and purchased for one big community

as much of the surplus products as they had for sale there, and that has already been sent to the capital city without cost. This will be distributed to those who desire to purchase it, and is no part of the program of distribution through the post offices. It is believed that within a week or ten days there will be enough cash on hand as the result of sales to reimburse the War Department. This is one of the methods that is being used in our state. The several cities through the assistance of the boards of trade and chambers of commerce are opening public markets, well located, and have put them in charge of market managers. They hope thereby to bring the producers and the consumers into direct communication with each other. The charge for stalls and overhead management is very slight.

We have been very fortunate in Arizona since 1917 in having appointed by the Department of Labor, a mediator, through whom all disputes between the employers and their employees are arbitrated. It has worked very splendidly; so much so that we consider ourselves one of the most progressive radical states in the Union. We have had no labor disputes whatever, for some time, because as soon as differences arise they are immediately referred to the mediator, who hears and disposes of the case.

I want to commend Governor Bickett for the forceful manner in which he brought forward his point with regard to disputes between labor and capital being one of the chief causes of the high cost of living. I know that is the biggest problem with which we have to contend in our State.

GOVERNOR ALLEN- I might add a contribution to the discussion.

Some weeks ago in Kansas we started a general inquiry under the charge of the Attorney-General and we have been in touch with the secretaries of the various organizations connected with business activities, such as retail business associations and the various exchanges, and we have made some progress. However, I believe that the most direct results have been obtained in Kansas through the organization of a consumers' league, and the sending out of committees to investigate into costs. It seems to us that a very large

amount of the percentage of the high cost of living is in the retailers' profits, and so we have gone into the business of finding out what the retail merchants are paying and what they are charging, with the result that prices are coming down on some commodities.

I believe that while we are waiting for the Government to get busy, we may get very considerable results from organizing consumers' leagues with the principal function of exposing unjust profits, and we are making some headway through direct investigation. We are also getting the housewife to go back or adhere to the plan followed by her in the darker days when economy was the watchword, and we are getting results from that.

Near the surface we have discovered that the greatest cause of high living is the indiscriminate personal credit business. We have discovered too, that a man does not need to belong to a combination in order to be a profiteer.

I am asked to announce that the Motor Transport Corps of the United States Government will reach the capitol building about two o'clock today, and they ask to be allowed to pass in review before the Governors, so when they come we will go down to see them.

GOVERNOR GARDNER—No doubt the Governors will receive telegrams from home, suggesting that various matters be brought before the Conference. I have one or two here.

I suggest it might be well for the Chairman to appoint a committee to receive these communications, and make whatever disposition of them they think wise; the Governors turning over to the Secretary or to the Chairman of the Committee all communications which they may receive. I suggest that if that meets with the approval of the conference the Chair appoint that committee.

THE CHAIRMAN—That has always been taken care of by the executive committee, and as I am the only member of that committee present I think I shall have to do it.

I will appoint Governor Shoup, Governor Harding, and Governor Bamberger as the committee to receive the communications, and all of you who receive communications

such as those suggested by Governor Gardner will kindly hand them to the Secretary, or if you have anything else which you wish to bring before the conference you can mention it to the Secretary so that he may place it before the committee.

I will ask Governor Robertson of Oklahoma to preside at the afternoon session which begins at two o'clock. The program this afternoon relates to the growth and consolidation of administration boards, and the Governor of Nebraska and the Governor of Idaho will discuss the question. I notice that we are expected to be at the Rotary Luncheon at 12:15, so we will have Governor Philipp's paper on the subject of the State Budget before we adjourn. This will be read by the Secretary, as Governor Philipp is unable to be present personally.

WISCONSIN STATE BUDGET

*WRITTEN BY GOVERNOR E. L. PHILIPP OF WISCONSIN

INTRODUCTION

Budgets and budget-making are beginning to attract the attention they deserve in this country. The European countries have long since reached a point where their available fund for public services was so limited that some planning of its expenditure was necessary. These nations' demand for a more economical and efficient use of public funds led to the establishment of a budget system, and as a result, European countries know pretty definitely the financial status of the Government, and are able to keep their financing of public services within the available public money. As a result they do not have what we so often have in our cities and states—government by deficit.

Many cities and a few states in this country have adopted the budget system to prevent waste of public money, but more particularly to secure a dollar's worth of service for every dollar expended.

The movement in the cities is older than it is in the states. The states have only begun to adopt the budget system

*Read by the Secretary of the Governors' Conference

within the last three or four years, except for the two earlier instances of Wisconsin and Colorado.

OLD METHODS

In the old days, individual departments and bureaus of departments had bills introduced into the legislature, financing their work. Every department was pressing forward its own appropriation. Sometimes several appropriation bills were introduced covering the same subject. Public officers practically suspended the operation of their offices during the the legislative session to ingratiate themselves with legislators. A winning personality on the part of the public servant was more important than public service rendered and accounted for, and the prospect of ever better public service. No one knew how much it was going to cost to finance the government during the next fiscal period. Even after the legislature was over, it took a long time to find out exactly how much it would cost. But if enough taxes had not been raised, deficiency appropriations at the next legislature corrected any errors. These appropriation acts were placed in various sections of the statutes and it required the most painstaking investigation to determine, if it was determinable at all, how much the government would cost. This method of financing government led to gross inefficiency and incompetency and was a more prolific source of waste of public funds than graft or dishonesty in public office.

The aim of the budget system was in the first instance to introduce order into this chaos and to know definitely what the government would cost during the next fiscal period in advance so that a proper tax could be raised. It was this demand for business-like procedure which helped materially in promoting budget reform.

Accompanying this demand for a business-like budget, there also came the demand for economy of public funds. Sometimes this was taken merely to mean the reduction of public expenditure. In view of the waste, such a demand was a very legitimate public demand. But people very soon saw that the demand for economy meant not so much a reduction of expenditure as the securing of one hundred cents

of public service for each dollar of public expenditure. This demand for economy, as I interpret it, does not mean that we should oppose those things that make for human progress, on the contrary, successful government, like all other successful institutions, must move forward and increase its usefulness to man. The people of Wisconsin, as of every other American state, want a government that is humane in its tendencies, truly progressive and responsive to the demands of the more complex civilization. In meeting these demands, however, we should not allow zeal to lead us into costly fads, nor should we forget that a waste of the people's substance is not helpful to the cause of human progress.

This is also the view of Gladstone in his much quoted statement regarding the budget: "Budgets are not merely affairs of arithmetic, but in a thousand ways go to the root of prosperity of individuals, the relation of classes, and the strength of kingdoms."

WISCONSIN BUDGET LAW

The essential features of the Wisconsin budget system are indicated in the budget law, which is as follows

"Section 15.12 Budget Forms, Reports and Procedure
(1) Not later than July 1 * * * in each even-numbered year the board shall distribute to each public body the proper * * * forms necessary to preparation of budget estimates which shall show the actual revenues and expenses including accruals of all public bodies for at least the two prior fiscal years * * * and shall show in corresponding detail the estimated revenues and expenses including accruals for all public bodies for the succeeding biennial period * * * and shall further show whether and in what amounts the estimates are larger or smaller than the corresponding items of expenditures for each of the * * * years * * * included in the budget report.

(2) Not later than September 1, * * * in each even-numbered year, each public body shall return to the board its estimates for the succeeding biennium with full explanation of reasons for changes above or below the corresponding

items for the previous biennium. The estimates from all public bodies shall be immediately compiled under direction of the board and reviewed by means of such field examinations and interviews or correspondence as may be necessary to secure full information.

(3) The results of these examinations together with the estimates and departmental explanations shall, between the tenth day of November and the first day of December * * * in each even-numbered year, be laid before the whole board which shall not divide into committee for such review. The governor-elect shall be invited and shall have the right to be present at such meetings or to have a representative attend and shall be given such information as the board possesses. All reports and information * * * sent to members of the board shall be sent to the governor-elect.

(4) Not later than December 15 * * * in each even-numbered year, the board shall recommend to the legislature a budget which, in addition to giving comparison of estimates for the succeeding biennium with each of the * * * years included in the budget report, shall also give the amounts which the board recommends, item for item, with columns showing whether the recommended allowances are equal to, above or below the amount requested and whether they are equal to, above or below the amounts for the first year of the preceding biennium together with explanatory notes which will show the board's reasons for recommending allowances and disallowances. With the printed recommendations and reasons for recommendations shall be included a record of the vote upon each recommendation, where such vote is not unanimous. The report shall include any recommendations which a minority or the governor-elect may wish to have included in the report.

(5) Not later than January 1 * * * in each odd-numbered year, copies of the estimates with the board's recommendations shall be distributed to members of the legislature next to convene."

The board referred to in the foregoing law is the State Board of Public Affairs. Through this agency the Governor

works out the detailed budgets in cooperation with representatives of the legislature and representative citizens. This Board was organized by the Legislature of 1911, and consisted at that time of seven members, four of them ex-officio: The Governor, Secretary of State, Chairman of the Senate Finance Committee, Chairman of the Assembly Finance Committee, and three other members appointed by the Governor, such appointments being subject to the approval of the Senate. The 1913 Legislature extended the life of this board and changed its membership by adding two more legislative members: the President pro tem of the Senate and the Speaker of the Assembly, thereby making the membership of the board nine. The Board is organized with a permanent staff of accountants and other assistants, with a Secretary at its head. The Governor is the chairman of the Board, and the Board meets only upon the call of the chairman, the detailed work being carried on by the permanent staff.

The essential provisions of the law are as follows.

1. That the departments shall, during the period of July 1st to September 1st, study carefully their whole administration during the preceding fiscal years and plan their work for the future, and embody these plans in financial terms upon the forms prepared by the State Board of Public Affairs, and submit them to it before September 1st. Notice that all proposed changes, whether of increase or reduction shall be explained by the department.

2. The State Board of Public Affairs, of which the Governor is the chairman, shall study the budget carefully during the period from September 1st to December 1st, culminating in a careful consideration by the whole board during the last three weeks in November. Notice carefully in this law the provision made for giving the governor-elect a voice in the determination of the new budget. After this careful review, the State Board of Public Affairs recommends to the Legislature a budget taking into account not merely the relative demands of departments, but also the amount of money available, and such facts as to social needs as are presented to the Board.

BUDGET PROCEDURE

Before going into the details of the budget procedure I would again call your attention to the composition of the State Board of Public Affairs, namely that it is composed of the executive, members of the legislature, and laymen. It is quite apparent that in this way all interested classes are represented.

As stated in the law, as soon after the close of each even-numbered fiscal year as possible forms are prepared in the office of the State Board of Public Affairs which contain three years of actual receipts and expenditures for every division and activity of the state, properly classified. These forms are sent out to the departments with the request that they insert their estimates for the current fiscal year and their requests for the ensuing biennium. In making their requests for the ensuing biennium it is suggested that they give the Board of Public Affairs complete information as to their plans. This information may be placed upon the budget sheets submitted or may be attached as separate memoranda.

The forms containing the three years of actual receipts and expenditures, the estimates for the current fiscal year, and the requests for the ensuing biennium are returned to the office of the Board of Public Affairs about the middle of September, and are then checked, tabulated, analyzed, and investigated.

The analysis and investigation consist of examining all accounts to see the purposes for which moneys are requested and the amounts are likewise checked to see whether the amounts proposed to be spent for the purposes indicated are sufficient, insufficient, or in excess of the actual needs. The investigation likewise takes the form of a field examination. In the case of institutions, the institutions are actually visited, the necessity for building changes and building repairs actually checked by competent engineers, and the needs of the farm, etc., actually determined. In fact every precaution is taken to see that the requests made are necessary and wise from the standpoint of the interests of the state and its activities.

The results of these analyses and field investigations are summarized into report form by the employees of the board. Sometime during the month of November the State Board of Public Affairs begins its hearings upon the budget requests of the various departments, divisions and activities of the state. At that time hearings are held upon the individual requests. The department head making the request, and such of its subordinates as he may call, are summoned before the State Board and given an opportunity to explain and justify their requests and estimates. At this same hearing the employees of the Board present the results of their investigations and studies so that the Board has complete information before it.

The Board then in executive session considers the information which it has received from both sides and in turn makes its recommendations. It should not be presumed from this statement that the two are always at variance for such is not the case, as it frequently happens that the two are entirely in accord.

The hearings of the Board continue until such time as all the departments and activities have been heard and recommendations made upon their requests. This usually occupies the major part of a month's time.

Under ordinary circumstances these recommendations of the Board would be found in columns 9 and 10 of the budget but owing to peculiar conditions it was not found possible to do this for the last session of the legislature. Hereafter this method will be the policy of the Board.

It is, therefore, quite evident that the Wisconsin state budget contains the original departmental requests together with the recommendations of the governing board.

THE FORM OF THE BUDGET

The budget proposals as they actually went before the legislature were contained in a book of 343 pages, giving in detail the whole financial program of the State. This book contained a full statement of all receipts from taxes and general sources for a period of four years before the biennium to be financed.

For our state educational institutions, in order to have a definite state educational policy and to prevent overlapping and needless duplication of work, the estimates of the various educational institutions of the state are considered by our state Board of Education. This Board is made up of the Governor, the State Superintendent, representatives from the Board of Regents of the Normal Schools, the University, and from the State Board of Vocational Education, together with five members appointed by the Governor upon confirmation by the Senate for a period of five years.

We have in Wisconsin only a nominal tax for the general administration of the state government. The money for operating the state government, other than the educational institutions, is furnished from corporation and other taxes and not by a direct property tax. At the beginning of this budget are summaries of operation expenses, maintenance expenses, capital expenses, besides the summary recapitulation of the revenues of the government.

This revenue program as outlined, gives the legislature:

- a. Limits within which appropriations must be kept to avoid a general tax levy.
- b. The estimated amount of state revenues inclusive of the regular tax levies.

Three budgets are prepared for each department: A budget for capital, a budget for maintenance, and a budget for operation. A detailed budget for operation of each department and for each service of each department is made up; for example, under the Industrial Commission there are headings for the safety and sanitation work of the commission, the administration of the minimum wage law, of the women and child labor, of workmen's compensation, mediation and arbitration, and the like. For each of these headings there are subheadings giving the following information:

- Salaries of Officers
- Salaries of Office Employees
- Travelling Expenses
- Stationery and Office Supplies
- Postage

Telephone and Telegraph
Express, Freight and Drayage
Printing and Binding, other than Stationery
Miscellaneous Supplies and Expense

Across the page, the actual expenditures are given for the three preceding years and the estimated expenses for the current year. The departmental estimates for the forthcoming biennium and the recommendations of the State Board of Public Affairs for each item and such remarks as are thought necessary are also given. I shall leave on the table here some copies of the budget so that you may examine in detail exactly the form of the budget.

At the end of each budget schedule, as for example, the operation schedule, a summary is made which shows the appropriation available to the department or division, the unexpended balance which may have been carried forward, then the sum of the two, making a total amount available for the year, the actual expenditures, and the balance remaining at the close of the fiscal year.

THE BUDGET BILLS IN THE LEGISLATURE

The next step in the budget procedure is the transmission of the budget and recommendations to the legislature. As you are doubtless aware, the Wisconsin legislature meets the second Wednesday in January of each odd-numbered calendar year. Each member of the Legislature is supplied with a copy of the budget. In the annual message to the legislature mention is made of items of particular interest and importance. As soon as the legislature is organized and the joint committee on finance selected, which committee consists of five members of the senate and nine members of the assembly, the Board through its secretary, presents the budget and supporting information to this committee, and volunteers to render any service which may be required in connection therewith.

It may be said in passing that the Joint Committee on Finance has always found it very advantageous to have the secretary of the State Board of Public Affairs take charge of their work for them and to lay out the necessary program and plans.

The procedure before the Joint Committee on Finance is somewhat similar to the procedure before the State Board of Public Affairs. The heads of departments or such of their employes as they care to summon are given an opportunity of explaining the budget requests. Usually there is no disposition to fight the recommendations of the State Board of Public Affairs. If a department head is of the opinion that the Board's recommendations are not ample to carry out the program which he feels should be conducted in the interests of his department, he may try to convince this committee of the need of more funds.

The Joint Committee on Finance is in the position of a jury, for it has before it both the original departmental requests and the recommendations of the State Board of Public Affairs. This committee in turn, in executive session, considers the different phases of the question and then makes its recommendations in bill form to the legislature.

A separate bill is introduced for each department. The legislators have the complete budget and can fit the individual bill into the general financial scheme. The budget of each department is considered on its merits and in the light of the whole financial plan. There is no opportunity to force appropriations through the legislature by alliances among departments.

After a bill is once introduced to the legislature it follows the same procedure as any other legislative bill except that the rules require that "on the passage in either house of the legislature of any law which imposes, continues or renews a tax or creates a debt or charge or makes, continues, or renews an appropriation of public or trust money, or releases, discharges, or commutes a claim, or demand of the state, the question shall be taken by yeas and nays, which shall be duly entered on the journal and three-fifths of all the members elected to such house shall, in all such cases, be required to constitute a quorum therein."

THE APPROPRIATION PLAN

Besides the ordinary preparation and careful consideration of the budget proposals upon the widest basis of information available in the administration, the Wisconsin budget plan

has progressively provided for improvement in the appropriation plan, that is, the strictly legislative aspect of budget making.

You have all probably had experience in looking through your Statutes to find out definitely whether a particular appropriation had been made. And unless you were skilled in the use of the Statutes, it was sometimes a very difficult thing to know definitely because appropriation sections would be found in the most unlooked-for places in the Statutes.

Upon the recommendation of the State Board of Public Affairs the legislature has seen fit to assign to one chapter of the statutes all the appropriations made by the legislature. Chapter 20 of our Statutes is the chapter containing these appropriations. If an appropriation is not in Chapter 20 of the Statutes, it was not made. So any citizen who wishes to know how much money was spent for the university, for the charitable and penal institutions or for the industrial commission can go to the Statutes, turn to Chapter 20 and know in a very few minutes the total amount of the appropriation to any one of these agencies and the various limitations made upon this money by the legislature in making its appropriations. This was utterly impossible to do by the ordinary citizen in a week under the older plan.

Another improvement in making appropriations is that a uniform phraseology has been adopted for appropriation clauses. Definite wordings are adopted for the operation, maintenance and capital appropriations. These wordings were worked out by the State Board of Public Affairs after a careful study of all legal decisions bearing on the question. Department heads can tell whether a certain amount is appropriated for a certain purpose, whether such amount must be used within the year, or may be carried over. Careful distinction is made in the wording of the appropriations between lapsable and non-lapsable appropriations.

Another characteristic of our legislative plan is the provision for continuing appropriations. Under this plan the money is appropriated to the *permanent* service of the state annually. This guarantees continuity of service and strengthens the administrative officers in performing their services

entirely in the interest of the public. Under our system of requiring all departments to submit all information regarding all services rendered by the department, these continuing appropriations are subject to the same biennial review that the appropriations for the less permanent services of the state are subjected.

A further means for strengthening the administration of government, while at the same time giving reasonable opportunity for the exercise of the best judgment of administrative officers, is appropriation in lump sum amounts. However, when a department head shows that he cannot be relied upon to carry out the legislative intent and legislative policies in detail under lump sum appropriations, then the legislature passes a more detailed appropriation act, prescribing exactly how the money shall be spent and thus reducing the sphere of his discretion. This provides flexibility in our administration. Administrators who can be relied upon for good administration under general orders have only general orders and those who must be specifically limited are limited.

There is always tendency in a state administration to use moneys collected by departments rather loosely. The Wisconsin budget plan requires that all moneys collected by any department, board, commission or institution of the state shall be paid within one week of receipt into the State Treasury. Then the money, if it is desirable, is appropriated to the department, board, commission or institution for such purposes as the legislature sees fit. Under this plan there can be no public leaks and misuses of money, and a check can be kept upon it, and the state knows exactly how much money is being spent by its agents.

BUDGET CONTROL OF EXPENDITURES

Having considered the budget form, the preparation of the budget, the budget procedure in the legislature, and the appropriation plan, the next point is budget control of expenditures. Is any attempt made to control expenditures after the appropriations have been made out, and, if so, by what means?

In the first place a uniform system of accounting has been adopted by the state. Departments are required to keep

their records under the same classifications as are used in the budget. In this way their records show whether they are expending their appropriations for the purposes authorized by the legislature.

Not only are departments required to keep records of their expenditures but they are likewise required to furnish monthly reports to the office of the State Board of Public Affairs. These monthly reports consist of classified statements of the expenditures, copies of the payrolls, detailed statements of travelling expense vouchers and any other bills which may have been incurred. These reports are checked, examined and entered on an appropriation record kept in the office of the State Board of Public Affairs, so that the Board constantly knows for what purposes the funds are being expended and whether the legislative intent is being complied with.

The State Board of Public Affairs is required by law to conduct the annual audits for all departments. These audits afford another check upon the purposes for which the funds have been expended and enable the Board to maintain a close scrutiny upon the fiscal affairs of all departments and activities.

RESULTS FROM THE ADOPTION OF THE BUDGET SYSTEM

The question which naturally arises after considering the various points which have just been discussed is, what results have been obtained from the changes inaugurated? Has the budget system resulted in the saving of any money to the people of the state of Wisconsin?

This might be made a discussion by itself, but at this time I shall only give a few illustrations of what has been accomplished.

The adoption of the budget system has made it necessary for all financial affairs of the state to be conducted in a manner which is open and above board. It no longer is possible for a department to get two or three appropriations for the same purpose. The purpose must be legitimate, for all requests are now scrutinized so carefully and publicity given that it is next to impossible to slip any appropriations through which should not be passed.

The budget system has resulted in the elimination of a large number of personal measures. Members of the legislature are no longer interested in espousing the cause of this or that person in state service.

Departments themselves, as a rule, no longer initiate appropriation measures nor concern themselves about the passage of the appropriation measures. They know that at the proper time they will be called upon to present their case and after that it is up to the Finance Committee, which introduces the budget measures to champion their cause in the legislature. In this way the lobbying which department heads and even employes formerly indulged in has been eliminated.

Before this system was inaugurated the superintendent of public property was obliged by law to furnish all departments with whatever supplies, postage, drayage, etc., that they needed. The printing board was required to print whatever publications the departments requested. Each of these two departments had an unlimited appropriation for the purposes indicated. The result was that departments were not particularly concerned with the amount of stationery, postage or printing requisitioned. Under the budget system a department must pay for everything it receives out of its appropriation. The result is that today department heads are taking pains to see where the postage goes, are watching to see what kinds of materials are used by their employes, are trying to reduce the number of printed volumes to the number actually required, in fact, are exerting every precaution to conserve their appropriation, for under the law there is a penalty for the exceeding of an appropriation or the creation of any indebtedness in excess of existing appropriations.

SAVINGS

That the budget system has resulted in the saving of money to the people of the state is a well-known fact. The legislature itself effects many savings, for it now is in possession of the facts which enable it to make appropriation closely in keeping with the services to be performed.

The budget system tends to fix responsibility for the handling of public funds upon certain specific boards and of-

ficers. Through this fixing of responsibility greater economy and efficiency has resulted in the affairs of state.

As a single illustration, the following tabulation covering a period of twelve years, six under the old system and six under the budget system, showing the total amount expended for supplies purchased by the superintendent of public property, demonstrates that the budget system has resulted in a saving to the people of the state. In comparing the figures of the last six years with those of the first six years it should be noted that while the activities and departments of state have been constantly on the increase both in the number of activities and in the importance of their work, the result to-day is that a larger number of departments are getting along with a smaller amount expended for supplies. It should likewise be borne in mind in making the comparison that the prices for commodities of all classes have been very much higher during the last six years than they were in the first six years of the period under consideration.

Pre-budget period	Supt. Pub. Property Supplies Amount
Fiscal Year	
1907-1908	\$130,604.03
1908-1909	150,383.91
1909-1910	141,981.63
1910-1911	126,728.42
1911-1912	141,939.52
1912-1913	84,708.03
Budget Period	
1913-1914	89,864.93
1914-1915	92,824.93
1915-1916	80,783.23
1916-1917	108,362.60
1917-1918	168,840.69
1918-1919	125,589.29

The board's reviewing of the budget likewise results in lower appropriations than would be the case if no budget system were in operation. For example, the requests of the tax commission for the fiscal year 1920 were \$216,850. The board's recommendation was \$185,000. The appropriation

is likewise \$185,000. In the case of the railroad commission the requests for 1920 were \$207,930 and the recommendation and appropriation was \$200,000. In the case of the superintendent of public instruction the requests for 1920 were \$128,756, the appropriation \$100,000. When considered by and of itself each of these departments could show valid reasons for having appropriations amounting to the sums requested. When the state's activities as a whole are considered, as they are at the time the budget is reviewed, the departments are shown how they can carry on their activities for the amounts recommended.

A large number of instances of this kind might be given. It could be shown, for example, that a number of savings were made by the board's being able to recommend what department should carry on certain activities. Consolidations and reorganizations are affected because of the board's having worked out a definite financial policy for the state.

CONCLUSION

In concluding this subject I wish to state that we in Wisconsin believe that we have a budget system that is serving our needs and resulting in savings to the tax payers of the state. I do not mean to state that our system has been developed to the extent that it is perfect and cannot be improved upon. Far be it from that, for we are constantly making a change here and there in our efforts to get the best results. We can truthfully say, however, that the Wisconsin budget system through its years of service has demonstrated its importance and value. If any of the other states have anything better than we have, we shall be glad to learn of ways in which our system can be improved and in that way profit by their experience. If there is anything in our budget experience during the past eight years which will be of assistance to any other governmental unit, we will be equally pleased to share with them what we have and to render them every possible assistance in solving the complex problems of state finance.

THE CHAIRMAN--Governor Harrington was to have addressed us on this subject, but Secretary Riley is just in receipt of the following telegram from him:

Cambridge, Md., August 18

M. C. Riley, Secy. Governors' Conference,
Salt Lake City, Utah.

Exceedingly regret that circumstances at home over which I have no control will prevent my attendance at the Governors' Conference at Salt Lake City. My disappointment is keener than I can tell. With best wishes.

Emerson C. Harrington, Governor of Md.

The Conference was thereupon adjourned until two o'clock p. m.

TUESDAY, AUGUST 19

AFTERNOON SESSION

The afternoon session was called to order by Governor Allen at two o'clock.

GOVERNOR ALLEN: The conference will please come to order.

I am pleased indeed to present as your chairman for this afternoon's session Governor J. B. A. Robertson of Oklahoma.

GOVERNOR ROBERTSON: Chairman, Ladies and Gentlemen:

We are to be favored with two addresses this afternoon upon "The Growth and Consolidation of Administrative Boards." We are fortunate in that this subject, an important and far reaching one, has been assigned to Governors whose states have experienced the growth of these administrative bodies and have just recently, in fact at the last sessions of their legislatures, taken steps to coordinate their work and consolidate and systematize the bodies into a workable, systematic whole. I introduce to you as the first speaker Governor S. R. McKelvie of Nebraska.

A RESPONSIBLE FORM OF GOVERNMENT

A discussion of the Civil Administrative Code, enacted by the thirty-seventh (1919) session of the Nebraska Legislature.

GOVERNOR SAMUEL R. MCKELVIE OF NEBRASKA

LADIES AND GENTLEMEN: The form of government that should be adopted by the states of the Union was contemplated and defined in Article 4, Section 4, of the Federal Constitution, as follows:

"The United States shall guarantee to every state in this Union a republican form of government, and shall protect each of them against invasion, and, on application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic violence."

Nebraska has not been unlike the majority of the states of the Union. It early got away from the principles of the republic as provided by the Federal Constitution.

A study of the Constitution reveals at once the principles of a republican form of government. There shall be three branches of government: executive, legislative and judicial; the first two to be filled by popular vote, and the third by appointment by the two.

The form of government is referred to as a "Republic," and was never recognized by the fathers who framed it as anything else, or as permitting of modification for purposes of improvement. It was the first strictly republican form of government ever established, and stood as a happy medium between the two extremes: autocracy on one hand, which consists of inherited power and authority; and democracy on the other, which contemplates direct action by all the people. It was, indeed, a representative form of government, the purposes of which were to protect individual rights and provide for the economical and efficient administration of governmental functions.

When the Constitution of the State of Nebraska was written in the year 1875, a departure was made from one of the fundamental principles of the republic. Instead of electing an Executive, provision was made for the election of several executives, all of whom, together with the legislative body and the members of the Supreme Court, should be selected by popular vote. This was a dangerous departure, and I think it is so recognized now, but it was not as bad as was further developed as the state grew, through the creation of numerous boards and commissions having both executive and administrative power. The idea seemed to be, first, that if it was good to elect one executive, it would be equally good to elect many; and, second, that greater security to individual and property rights could be obtained through the diffusion of executive and administrative authority among numerous elective and appointive officials, boards and commissions.

Finally, the confusion of authority and responsibility became so burdensome that it was recognized quite generally

as a menace to good government, and some steps were taken to improve it. The Thirty-fourth Session of the Nebraska Legislature made provision for a joint committee of the Senate and House, and authorized it to study and make recommendations for governmental and legislative reforms. This committee made its report, which is dated May 15, 1914, and I take from that report this statement:

"The original organization of the state's business in the Constitution of 1875, provided for three main divisions of the state government—legislative, executive and judicial—with seven executive departments. In the thirty-nine years which have elapsed since the adoption of this constitution, additions have been made to this list from time to time until there are now eighty-two distinct objects of appropriation and expenditure."

"We recommend that the next Legislature carefully consider each department, bureau, institution, board, commission, society and survey provided for in the appropriation bills, with a view of their consolidation wherever possible, and their reorganization wherever the same will result in avoiding duplication of work, a reduction of expense and promotion of efficiency."

"We recommend that an efficiency survey of the state be provided for by the next session of the Legislature, with a view to bringing the various functions under a few departmental heads, so as to promote efficiency, organization and economy."

Chief Executives of the state, who had been charged with the duties that the republic originally intended should devolve upon them, soon found that their activities were encumbered with the limitations that accompany the involved system of administration through boards and commissions, and some of them gave expression to their views. For instance, Governor Morehead, in his message to the Thirty-fourth Session of the Nebraska Legislature, had this to say:

"I have from the first advocated the consolidation of departments wherever possible, and where I have been able to put this policy in operation, it has shown a saving in expense and an improvement in efficiency."

In his message to the Thirty-fifth Session, he added:

"The advantage of classifying the state's business and putting coordinate branches under one head has been fully demonstrated by the consolidation of the Pure Food, Drug and Dairy Department with the Oil Department. * * * The policy of consolidation may, perhaps, be carried still further to the advantage of the service, etc."

Then came Governor Neville, who, after having served the state two years, made the following observation in his message to the Thirty-seventh Session of the Legislature:

"The new constitution will, without doubt, provide a more economical and efficient method of handling the state's business than through the multitude of boards under the present system. The board system is not only expensive and inefficient, but, in addition, divides authority and responsibility. It is, at present, impossible to handle the state's affairs in the efficient manner that would be demanded by any business man in the conduct of his private transactions, and the thing most needed is a centralized responsibility for the discharge of the trust assumed by men who are elected by the people to serve as public officers. Divided authority and responsibility produces waste and inefficiency, conditions too often incident to the expenditure of the funds raised in taxes from the people of the state."

It will be understood, of course, that Governor Neville's recommendation that these changes be effected in a constitutional way is hardly pertinent, because this is not a constitutional subject, but should be handled through legislative act.

Finally the question was made a matter of direct issue before the people when the Republican party, upon entering the campaign in the year 1918, included this definite statement in its platform:

"We favor the enactment of a Civil Administrative Code in this state creating a financial and accounting system whereby a vigorous and effective audit over financial expenditures of the state may be established, and providing for the consolidation of the boards, institutions, commissions and different departments and agencies of government, thereby eliminating useless offices and positions and avoiding the overlapping functions thereof, and we further favor the creation of an effective budget system to the end that government functions may be more efficiently and economically administered."

With these recommendations by former Chief Executives, and investigating committees to guide it, and charged with the promise of the party which prevailed at the last preceding election, the Thirty-seventh Session of the Nebraska Legislature enacted the Civil Administrative Code which outlined a plan of state administration that would overcome the shortcomings of the old form.

The bill, as it was originally drawn, contained over 500 pages. This is an important fact, and needs some explanation. Practically only twenty pages of the bill consisted of new legislation, the balance being substantive law which was already upon the statute books, and was included in the bill only for the purpose of bringing these laws properly under the new administrative plan. Finally as the bill passed, it contained in it no new legislation except that which was already upon the statute books, or that was enacted by separate legislation and was later incorporated, except the provisions which constitute the new plan of administration.

For the guidance of other states which may desire to enact such legislation, it may be said that while this method of preparing such a piece of legislation is the correct one and will prove most practical in the end, it has the disadvantages of opening the subject to the wholesale attack that it constitutes "omnibus" legislation and lays the foundation for a great many errors in framing the provisions of the bill. Other states which have enacted this legislation have confined themselves, I think, to the incorporation of only the administrative form in the act.

The Civil Administrative Code, as it was passed in Nebraska, eliminates eleven boards and commissions, nine of which were composed of elective or appointive state officers who served ex-officio, and two of which were appointive; and consolidates the duties of these as well as the duties of ten other subdivisions that are related to given subjects into six administrative departments as follows: Finance, Agriculture, Trade and Commerce, Labor, Public Works and Public Welfare.

There is illustrated most graphically, in the chart which is a part of this statement, just what was accomplished through the change that is effected from the old plan to the new.

The six principal departments thus created are administered by secretaries who are appointed by the Governor, by and with the consent of the Senate. These secretaries receive an annual salary of \$5,000 each. These are the only salaries that are stipulated throughout the entire organiza-

tion. The provision for other salaries and compensation for services is explained in subsequent paragraphs of this discussion.

The six main departments are subdivided into bureaus and divisions. The heads of these bureaus and divisions are designated as "chiefs." In the same sense that the secretaries of the main departments are accountable to the Governor as the Chief Executive, the chiefs of bureaus and divisions are accountable to the secretaries; and the minor employes in the various bureaus and divisions are accountable directly to the chiefs. Thus responsibility is fixed at every station, and the commonly recognized practices of business discipline are thereby established.

The basic features of the Code are the provision of simple, responsible organization and up-to-date administrative methods for the departments under the Governor, supplanting the confused, irresponsible and multifarious commission and board organizations. Briefly, the main purpose of the last Legislature in reorganizing these departments and providing for the installation of business methods was to assure and encourage the doing of the work in the state departments—present and future—in a responsible, economical and efficient manner.

DEPARTMENT OF FINANCE

These basic features of the Code are well illustrated in the establishment of a centralized and uniform system of accounting control in the Department of Finance. A uniform system of accounting for expenditures is established in this department for all of the departments. To reduce duplication in financial accounting, and to obtain control over the expenditures, the Division of Accounts and Pay Rolls in the Department of Finance has taken over the financial accounting work formerly carried on in the separate departments, boards or commissions. This relieves the departments of financial accounting details, eliminates the separate departmental books of accounts, and has the effect of considerably reducing the number of positions required for this work.

Heretofore, there have been no controlling accounts kept, and purchases were made and contracts let without anyone certifying that there were funds available to meet the expense. Detailed items have been carried as separate appropriations and separate funds, and under the Code these appropriations are all merged in a Salary and Maintenance Fund for the operation of the department, and the expenditures from these funds are distributed in the Department of Finance to the different bureaus and divisions within each department, and to nine standard expense accounts. As soon as a purchase order is given by any of the departments, or an expenditure contract entered into, the estimated cost of the purchase or contract is charged to the respective fund in that department by the Department of Finance, and when the purchase is completed, this fund is liquidated by the difference between the estimated cost and the actual cost as allowed by voucher. This controlling system prevents expenditures exceeding appropriations, and avoids the creation of deficits. At the end of each month, the Department of Finance certifies to each of the Code Departments the money remaining unencumbered in each one of their funds, and the departments also make a report to the Governor and to the Auditor of the expenditures from each fund for the month previous, and a check is made with the Auditor and Treasurer of the unexpended balance in each fund. In the development of the centralized accounting plan, special attention has been given to the matter of having the accounting records and procedure made simple and practical, and yet sufficiently comprehensive to currently reflect the departmental financial conditions and transactions, the work done, and results accomplished under each activity in each department. The account plan facilitates systematic and intelligent administration of all appropriations, and makes possible the compilation of periodic statements of receipts and expenditures and of general financial statements by the Department of Finance.

Heretofore it has been customary in some of the departments, boards and commissions to carry cash funds; and some of these cash funds, created by fees, issuing licenses or

making examinations, have been deposited in local banks in the name of the head of the department, board or commission, and personal checks have been drawn for expenditures. Under the Code this questionable practice is done away with in each instance, and all money collected by any of the Code departments in the name of the State must go at once in the full amount to the State Treasurer, and then the expenditures are made by properly certified vouchers on the Auditor.

One of the important changes made is that of the method of payment of employes. Under the former system, each employe made out a voucher each month for the salary due him, and after the approval and reapproval of such voucher through various departments, a warrant was issued by the State Auditor to each individual employe by which the employe obtained his salary. The Department of Finance now makes out departmental pay rolls for all employes and, after proper certification on the part of the respective department heads, the employes' warrants are made out by the Auditor directly from the pay roll. This centralization of pay roll preparation reduces considerably the number of records and the amount of time spent by the individual employes. The four hundred or more individual vouchers heretofore made out each month by employes for salaries are now reduced to six, or at most ten, departmental pay roll vouchers.

In this connection, a daily and monthly work report is established in each department which is the basis of the preparation of the pay roll voucher. This daily and monthly work report shows the service each day for each employe in each of the departments under the Code, and uniform regulations have been established in regard to vacation allowance and sick leave. Heretofore there has been no record in the departments of actual attendance each day, and the only check that was available was the statement of the head of the department, board or commission that the employe completed a month's service. Now the records automatically show whether the employe was working each day and, if absent any days, the reason is shown.

The reorganization of the executive departments and the study of the duties of the different positions have brought out

clearly the confused conditions formerly existing in respect to the relationship of pay to work. As this became evident it seemed necessary to establish some salary standardization form which would classify salaries according to work performed, and also would be a basis for the preparation of the budget to be submitted by the Department of Finance to the Governor, and by the Governor to the Legislature. Under the salary standardization plan and classification of positions in accordance with the duties performed, insurance of the same pay for the same duties is carried throughout the state service regardless of departmental lines or location of positions. This plan also makes possible the recognition of increased efficiency in the same position through advancement in pay of an individual within the proper limits at certain specified lengths of service. This salary standardization also furnishes a practical basis for promotion from a lower to a higher grade of duties, thus broadening the opportunity of promotion and encouraging those who are fit to enter and remain in the state service.

While this is not a complete civil service plan, it follows the lines of the civil service plan by providing that after an employe has served a probation period of three months, they cannot be discharged from their position without a hearing before three of the secretaries, if such hearing is requested by the employe.

The salaries increase within each grade automatically at six months or one year periods, and promotions are made from the lower grades to the higher grades in each classification of service upon the recommendation of the secretary and approval of the governor.

The use of uniform titles for the designation of positions, each title carrying with it a clear conception of the general character and value of the position, is of invaluable aid to the departments and to the Legislature in considering organization needs and in the uniform and consistent treatment of salary provisions based upon duties and efficiency.

Through the Department of Finance there is kept an employes' efficiency service record, which at all times will be

kept up to date, and will be used as a basis of recommendation for promotion from one grade to another.

One of the leading functions of the department of Finance will be the preparation and submission to the Legislature (for its approval or change), a budget of the expenditures and revenues for the next biennium. In the preparation of this budget, the Department of Finance receives and reviews all estimates of revenues and expenditures from the different departments, and arranges such estimates according to the uniform accounting system and, after inquiry and investigation of any of the items, submits a state budget to the Legislature, embracing therein the amounts recommended by him to be appropriated to the respective departments for all purposes, as well as a statement of the estimated revenues from taxation, the estimated revenues from sources other than taxation, and an estimate of the amount required to be raised by taxation.

The adoption of this more systematic budget system by the last legislature in the Code Bill is in keeping with the action of the other Legislatures of most of the states and with the demand that is being made over the Nation for the adoption of this plan by the Federal Government. Instead of each department, board and commission going before the committees of the Legislature in behalf of their own departments and urging increased appropriations, the budget system shows to the Legislature and its committees in a clear and concise form the financial needs of each department, and the total expense needed for the departments is itemized on a supporting schedule distributed for the nine standard expense accounts.

Another centralized controlling function of the Department of Finance is the purchase of stationery and office supplies for all of the state activities except the State University and the State Normal Schools, and the purchase of all supplies and equipment for the six departments under the Code. The central purchasing plan permits of standardization of purchases and buying in larger quantities and at lower costs. It is of benefit to the state, and aids the concerns selling sup-

plies to the state in dealing with only one department in selling their supplies to the state.

Within the Department of Finance is created the Bureau of Taxation, and the law gives this Bureau, through the Department of Finance, supervisory powers over all taxation questions in the state, leaving the final review with the State Board of Equalization. This is the system that has been adopted in a great many states, doing away with equalization boards, and establishing tax commissioners or commissions, and it gives the state more power and authority to see that the taxation laws of the state are uniformly and accurately carried out in the assessment of all property that is taxable, and in the equalization of such property for taxation purposes.

DEPARTMENT OF AGRICULTURE

The Department of Agriculture in a state like Nebraska is a very important one, and its activities under the Code have been so extended and elaborated as to comprehend the enforcement of all laws that relate to this subject in the state. This is the first Department of Agriculture Nebraska has ever had having full police power and control over the enforcement of laws relating to the subject of agriculture in all its branches.

Within this Department, the Bureau of Foods, Drugs, Dairy and Oils has extensive duties, and is charged with the enforcement of laws relating to fourteen different subjects, as follows: Food, sanitation of food, cold storage, drugs, commercial feeding stuffs, gasoline and kerosene, paint and linseed oil, imitation butter, commercial fertilizers, live stock remedies, dairy laws, weights and measures, agricultural seeds and hotel laws. This bureau maintains a chemical laboratory to which official samples of any articles coming under these laws for analysis are submitted. The bureau has a field force of fifteen to twenty inspectors.

The Bureau of Animal Industry has charge of the work formerly performed by the Live Stock Sanitary Board. Certain special appropriations were made by the last Legislature for investigation and emergency work relating to live stock,

including one for the prevention of hog cholera, and another for cattle tuberculosis. This bureau and the Division of Dairy Industry co-operate very closely in the enforcement of the provisions of the laws relating to the test of dairy herds for tuberculosis. Provisions of the stallion registration laws are also here enforced. The Division of Dairy Industry gives larger emphasis to this subject than was formerly done, and places special emphasis upon the enforcement of laws relating to this subject. Licenses are issued under the dairy and Babcock license test laws to operators of creameries, cheese factories, condensers, manufacturers of wholesale and retail ice cream, and cream station operators, as well as to purchasers and dealers under certain conditions.

The division of Weights and Measures has control of the inspection of scales, as well as liquid measuring devices, including oil and gasoline measuring pumps. This division also enforces the laws relating to the standardization of building material, such as brick, as well as the sale of coal and coke by weight only, also all dry commodities must be sold by weight or numerical count unless otherwise agreed.

The Game and Fish Commission, which existed under the old law, becomes a division of the Department of Agriculture under the Code, and has control of the same subjects that were formerly administered by it.

A Bureau of Markets and Marketing is created in the Department of Agriculture. The original purpose of this bureau is to aid farmers in the solution of their problems of distribution, and to enforce the laws that relate to this subject. It has charge of the preparation of the official agricultural statistics for the state, and these are used in direct relation to the subjects of state development and publicity. Methods of sorting and grading agricultural products will be evolved so that the markets of the world will be open without prejudice to all of the products from the farms of Nebraska.

DEPARTMENT OF TRADE AND COMMERCE

The Department of Trade and Commerce combines the former banking, insurance, fire prevention and securities de-

The Bureau of Banking has supervision over all state banks, building and loan associations, trust companies and investment companies.

The Bureau of Insurance deals with this subject in all its branches, and is in charge of a trained actuary, with a full corps of examiners.

The Bureau of Securities was formerly known as the "Blue Sky Department," and was administered under the Railway Commission. This bureau has supervision over the issue and sale of the securities of all corporations, co-partnerships and individual enterprises in the state.

The Bureau of Fire Prevention, which was formerly the Fire Commission, has to do with the investigation of fire supposed to be of incendiary origin, the inspection of dangerous exposures, faulty constructions, fire escapes, and has authority to condemn buildings that menace the safety of life and property.

DEPARTMENT OF LABOR

This department administers the laws related to workman's compensation and employer's liability, the welfare of workers, conducts a free employment bureau, compiles industrial statistics, makes inspections and enforces the laws relating to child labor, and health and safety regulations. These laws were formerly administered by the Commissioner of Labor, but the duties of the department now are much more extensive than they formerly were, and the work of the department now reaches into many new fields.

DEPARTMENT OF PUBLIC WORKS

For the present, the most important subdivision in this department is the Bureau of Roads and Bridges. The Thirty-seventh Session of the Nebraska Legislature enacted a group of road laws that are very comprehensive in their meaning, and lay the foundation for an extensive campaign of road improvement and development throughout the state. The first of these laws defines over 4,500 miles of road for immediate improvement as state roads. State Aid Road Funds appropriated by the Federal Government and the state funds that

are created to equal the Federal funds will be spent in the improvement of these roads. This improvement will consist of grading, drainage and the installation of permanent bridges and culverts.

Hard surfacing of roads may be provided through the creation of paving districts by property owners and ones immediately affected.

This bureau has charge of the construction of all state and Federal Aid roads, the designing of all county bridges, the construction of state aid bridges, and the administration of the motor vehicle tax laws. This bureau works in close cooperation with the county commissioners and supervisors, and with the Federal Government in supervising the expenditure of funds for the improvement of the system of state roads.

Also a motor vehicle license law was passed, transferring this department from the Secretary of State to the Department of Public Works, and providing that three-fourths of all motor vehicle taxes should be used under the direction of the Department of Public Works for the maintenance of the state road system.

Nebraska's appropriation for road development for the present biennium amounts to nearly ten million dollars, all of which is exclusive of bond issues.

Another very important bureau in this department is Irrigation, Water Power and Drainage. Nebraska has a very rich irrigated section, and it is being constantly developed. It also has many valuable water power sites, some of which have been developed, and others will be developed in the course of time.

DEPARTMENT OF PUBLIC WELFARE

The general powers of the Department of Public Welfare, in short, are as follows: Supervision and control over matters relating to sanitation, quarantine and general public health, licensing of professional groups of people, paroling of prisoners, and child welfare, which includes inspection and licensing of maternity homes.

Sixteen former departments and boards have been grouped into the Department of Public Welfare, which, with proper administration, add greatly to their efficiency and economy. All records, past and future, will be kept in a central office in the State House in Lincoln. All communications, inquiries, applications for license, and all matters relating to the welfare of the public, are addressed to the secretary of the Department of Public Welfare, Lincoln. Such matters as may be taken care of from the records in the central office will be answered the day received. If they require more careful research or expert opinion, they will be sent to one of bureau chiefs and answered directly by him.

The Bureau of Health is under the supervision of a chief, and has the following divisions: Contagious and Communicable Diseases, Bacteriological Laboratory, Sanitation, Sanitary Engineering, Venereal Diseases and Vital Statistics, each supervised by experts along these particular lines.

Formerly there were ten examining boards, with as many sets of records, the latter scattered from one end of the state to the other. The records of all these boards are now brought to Lincoln, taken out of the present dry goods boxes, and properly placed in suitable filing cabinets. In the past each examining board chose the form and size of their licenses and certificates. These are now standardized, which will greatly assist the clerks of the several counties in filing the same. No powers of any nature are taken from these various examining boards. However, by the centralization and preservation of records, the secretary of the board is relieved of much correspondence, as all applications and the handling of all fees is done through the office of the Secretary of Public Welfare. The Chief of the Bureau of Examining Boards is the Secretary of the Department of Public Welfare, and "shall have the right at all times to inspect the equipment and methods of teaching in all professional schools, and shall have the power to refuse examination to the graduates of any school, which, upon proper notice and hearing, shall be adjudged not a professional school in good standing as defined by the laws of this state." The following divisions come under this bureau: Physicians and Surgeons, Osteopathy and Osteopa-

thic Physicians, Chiropractic, Dentists, Nurses, Pharmacy, Optometry, Embalmers, Veterinary Medicine and Chiropody. All licenses to practice are issued by the Department of Public Welfare upon the recommendation of the Board of Examiners of the various divisions.

The powers of the former Board of Pardons and Paroles are now vested in this department, and come under the Bureau of Social Service. The chief of this bureau also has the Divisions of Charities and Correction. All applications for pardons and paroles are now made to the Secretary of the Department of Public Welfare, and the Bureau of Social Service makes full investigation necessary in each case, and a final decision on parole rendered which will best insure the person's self support and accomplish his reformation. Suitable assistants will be chosen from members of the department or institutions to aid the department in coming to a final decision on applications for pardon or parole.

The Chief of the Bureau of Child Welfare has the general supervision of dependent and delinquent children, child aid and custodian records; investigates the importation of dependent children from other states; visits children placed, but not legally adopted; looks after the abused; and cares for their training and education. Under the Bureau of Child Welfare comes also the Division of Maternity Homes. This division will work with the Board of Examiners in inspecting maternity homes and private homes where dependent children are placed.

With the reorganization of the departments under the Governor, a system of uniform reports has been adopted. These reports will be made out each week by the bureaus or divisions in each department, and then will be submitted to the secretary of the department, where they will be compiled and the secretary will make a weekly report showing the work performed throughout his whole department. Through these the Governor, as Chief Executive, will be able currently to visualize administrative conditions and results, and these will also be made the basis for the annual reports to the Legislature and to the public.

It is only fair to enumerate some of the arguments that are made against the Civil Administrative Code as a plan for handling the state's business.

The argument is made that it is dangerous because it is "one-man-power," and is therefore autocratic in its tendencies. At first this argument is very effective, and inclines to create a widespread opposition, but upon analysis it is found to be only a bogey-man and is not supported by the practical results.

I think anyone will admit that power is dangerous if it is not properly defined and restricted, but the Civil Administrative Code does this. It only fixes responsibility for the exercise of power where it has been created by a definite legislative act. So the Chief Executive, who, under this plan, becomes the controlling factor in handling the state's business, does not acquire any more power than is given him in the laws which he is directed to administer. There is no relation between this kind of power and autocratic power, for the one obtains without consent of the people, while the other applies only to authority that is given and may be withdrawn by the people. There is an additional safeguard, too, that the Executive who abuses the authority and responsibility that is thus reposed in him, promptly lays the foundation for his defeat when he seeks re-election.

It is my opinion that successful administration does not come through the limiting of the administrative activities of those who are elected to responsible positions. Big men—that is, men who are suitable for these positions—will not accept positions where the exercise of their ability is so hampered, and the consequence is that men of lesser qualities seek these positions purely for the advantages they may obtain for themselves.

Another argument that is used by the opposition is that the giving of so much discretionary authority to the Chief Executive in selecting employes for the state encourages the building of a "machine." I cannot speak for other states, but I rate the intelligence of Nebraska people too high to reflect thus unfavorably upon it. I do not believe that it would be possible for any public official to effect, through appoint-

ment, an organization that will, for any considerable length of time, defeat the will of the people in selecting its officials and representatives. It has been tried in the past, and it has always failed, and I believe that public officials are coming more and more to understand that their positions are not made secure by the exercise of appointive power, but rather by the rendering of capable, efficient service in the responsible positions which they occupy.

The history of Nebraska's political past stands as a very good answer to the charge that there is danger of machine building when liberal appointive power is encouraged. There was a time when the Chief Executive of Nebraska made many times as many appointments as he may make under the present Civil Administrative Code. Those were the days when all appointments in the state institutions were made by the Chief Executive. Now these appointments are made by the Board of Commissioners of Public Institutions, which is a constitutional body, the members of which are appointed by the Governor, and I think no one can recall a time when, with all of those appointments, it was possible for any Chief Executive to perpetuate himself in office or obtain a promotion in office through the abuse of that appointive privilege.

Moreover, it is an actual fact that under the Civil Administrative Code the same amount of work is accomplished with fewer employes than under the former system.

A practical illustration of the principles of the Civil Administrative Code may be found in any well organized business. Take, for instance, a department store. There will be found a responsible form of administrative government in which every employe makes an accounting to someone in higher authority, and no department is left for administration to a group of individuals with divided authority or responsibility.

The handling of public business through boards and commissions is even worse than it might be in private business, for here you find the ever-present disposition on the part of the members of such groups to "play politics." In the instance of boards which consist of elective officers who serve

as ex-officio members, the condition of "too much politics" is an actual barrier to the accomplishment of results if the board happens to consist of members of opposing parties or warring factions; nor is this difficulty entirely eliminated in the instance of boards which consist of members of the same party. The one who is disposed to use his public position for personal or partisan advantage is the more encouraged to do so when he serves as a member of a board or commission where the opportunity is afforded for avoiding the assumption of responsibility, or fixing the blame for action.

The Civil Administrative Code form of government is fashioned after our National Cabinet, and it looks ultimately toward the reduction of the number of elective state officers—in other words, the short ballot. This principle could not be put into full effect in Nebraska at this time because there are a number of elective officers whose positions are created by the constitution, enumerated as follows: Secretary of State, Auditor, Treasurer, Attorney General, Superintendent of Public Instruction, Commissioner of Public Lands and Buildings, Railway Commission and Commissioners of State Institutions.* None of these offices are affected in any way by the Code except that in some instances the elective officials are removed as ex-officio members of boards.

When the Code was put into effect in Nebraska, the state employed the services of a firm of business engineers. This enabled the installation of the system, the details of which have been defined in some of the foregoing paragraphs. It is functioning very satisfactorily, and there is every reason to believe that under this plan of administration the service to the state by its officials will have been increased manifold.

THE CHAIRMAN—We are grateful to the Governor of Nebraska for this very instructive and interesting address. We will now hear the paper of Governor Davis of Idaho on this same subject. I regret to have to announce that Governor Davis is indisposed and therefore cannot be with us in person. His paper will be read by his secretary.

* Constitutional, but appointive by the Governor.

IDAHO'S NEW CIVIL ADMINISTRATIVE CODE

GOVERNOR D. W. DAVIS OF IDAHO

Fellow Governors, Ladies and Gentlemen:

This is the dawn of a new era in civil administration. As I have watched the workings of the new plan of the cabinet form of centralized state government in Idaho, where fifty-one departments, boards and bureaus have been put under nine heads I am convinced of this. I have actually seen the enthusiasm, the exchange of ideas, the feeling of added responsibility, as I sat in the cabinet meetings and have noted the difference between the old regime and the new, and I have come to believe the day past when the wornout creaking system of state government will do. It is my firm belief that in Idaho the red tape and costly duplication of the past is gone.

I believe we will all agree that public opinion is the final court which sits on the acts of public officials and this public opinion is tired of the loose methods that have characterized the conduct of state affairs in most of our commonwealths in the past.

There is much to make us believe that the great war just ended has not only taught us military and moral lessons but also political lessons which it is well for us to absorb. Despite a plentitude of money and man power we and our allies could not win the war against the centralized forces of the Central Powers until we ourselves became centralized. It was putting the power of direction and administration in central hands that finally won the war.

In these days of unrest we have another war to win. It is the war for civil health and we can be victorious by the accomplishment of intelligent centralization of the functions of state.

A broader spirit prevails in Idaho today than I have ever known before. The people of our splendid commonwealth seem willing to give the consolidated form of state government a fair trial. There will be objections I know, yet the spirit has been so splendid up to this time that I cannot re-

frain from speaking of it. Not long ago it came back to me that one of the former governors of Idaho, a distinguished private citizen now, and a member of a political party opposite to mine, a man who had been through the responsibilities of the governor's chair, and knew its problems, said, "The Davis law, providing for the consolidation of state governmental functions is the best piece of legislation placed in the laws of Idaho since the adoption of the constitution." I refer to former Governor James H. Hawley. The considerable following of Governor Hawley will help make public opinion favorable even before we can get big results, but already the public of Idaho is gaining confidence in the plan through definite knowledge of what is being accomplished. It was not so much the effect on the people of what this man would say that pleased me, but rather the indication of the broad spirit of patriotic love for his state which he had which shows the trend of the times.

This broader spirit of partisanship is tearing off the false mask of political self aggrandizement and leaving the officeholder the sculptor to fashion the statue called "Results" with either efficient or inefficient fingers before the gaze of a great and thinking people, and no governor it would seem to me is able to "deliver the goods" as they must be delivered without the centralization of the functions of state government such as we have today in Idaho.

This centralization has two marked effects. It brings better men into public life and it arouses in the people a higher regard for their duty in selecting their officials.

You will all agree that throughout the political history of the states, Governors have taken office without a working opportunity and that the pathway of their political life has in a great number of instances been strewn with the wrecks of political tragedy. Business and professional men knowing this could not afford, they thought, to take a state office below the governorship, nor even the governorship, because they could not take the chance of losing caste in their state. But under this new system state government becomes a great business and good men can be drafted to become gen-

eral managers or heads of departments because their intellect and energy can be developed and results shown.

The system's success largely hinges on department heads and in Idaho I have been successful in drafting big men for the several departments. Their salaries are small and will be until the public recognizes the value of the men, but the ideals of office holding are raised by the opportunities for good and big work which come to them. Under this system there is no stated time for a term of office, and when the public realizes what it means the good men will stay. Under the old system an appointee to a board or even to the headship of a department knew he would retain office for at least two years. He was a politician placed for political reasons and he did not have to report to any one. Today the success of the system and the success of the individual responsible for it depends on efficiency. Most of these men are experts in their line and therefore dependable, so that office holding is a higher occupation in Idaho than ever before and this has had an astonishing effect on the personnel of our workers.

For instance, in the Department of Finance which is substituted for the state depository board and the state examiners, I have been fortunate enough to secure an extremely successful banker, a man of large affairs to whom the salary of the position is practically nothing. He is serving because he loves Idaho and sees the opportunity to make a splendid record.

At the head of our Department of Public Investments, which takes over the duties of the land register and part of the duties of the land commissioner, and operates our newly created investment bank, is a man who at one time held a high salaried position with a great mortgage company, and he knows values.

In the Department of Public Welfare a man of broad sympathies, with wide experience in Washington and with four years to his credit in pure food work, is the head of the department, and this department has in charge under the new regime the state asylums, the soldiers' home, the state board of health, the bureau of vital statistics, the dairy food and sanitary inspection and the state bacteriologist.

In the Department of Agriculture I have a man who has spent his entire lifetime in successful farming and stock raising and he knows the inner problems of the agriculturist. He has taken over 12 departments, while the head of the department of law enforcement has seen 13 chairmen and 13 secretaries as well as the same number of boards and bureaus disappear. This man assumed the headship of the department at the same time acting as secretary of state but in doing this we saved one salary, for he receives no remuneration for his work as head of the department of law enforcement.

The Department of Public Works has as its commissioner an Idaho man who received his schooling in business of more than 20 years in the purchasing and administrative departments of a number of great mining companies and he became particularly well qualified to take charge of the purchasing department, the Highway Commission, the building of the capitol wings and the superintendency of public parks.

At the head of the Division of Commerce and Industry, which took over the duties of the Bank Commissioner, the Insurance Commissioner, the management of the state insurance funds and the administration of the blue sky law, I appointed a man whom I had selected for state bank examiner and he also is a banker of wide experience.

The Department of Immigration, Labor and Statistics, in which is incorporated the publicity bureau, is in charge of an experienced newspaper man. He prepares the advertisements for the state land sales and he is an expert, not only in writing attractive stories on the advantages of the state but in calling the attention of the people through advertising to its advantages.

In this connection another splendid example of business efficiency stands out with financial results to back it as a plan when it is found that under one name some of the functions of the former land department—made up of elective officers—have brought a profit in land sales of more than a quarter of a million dollars over previous sales for the same amount of acreage. The department itself has been run at far less overhead than was thought possible in the old days.

Another of my commissioners, who is serving purely from patriotic purposes is the head of the Reclamation Department and he had not more than assumed office before he was called upon to exercise all of his talents because of the water shortage. An engineer of high standing, the income he now receives is small in comparison to what he might make just at this time, but he realizes that the record of his department and the wide acquaintanceship which he will make will be a huge asset to him if at any time he again should enter private engineering work.

Briefly this resume touches on the possibility of drafting good men.

The other point which is fundamental is the standpoint of the people in relation to the consolidation of governmental activities for therein lies a strengthening psychological influence among the voters. They know now that they must pick good men for the management of their great business, because it would be dangerous not to do so.

To those of you who might contemplate an effort to establish such a system in your commonwealth, may I say that a careful analysis of the elements supporting and fighting the establishment of the system prompts me to say that on the side against its adoption can be found firmly aligned the professional politician, while the supporting elements are those always found on the side of the public and its good. Political scientists have held no disagreement for the past two decades on the principal of the plan of consolidation and I believe a great truism today is "We must conduct the state's business just as efficiently as we would a private business."

I have the honor to head one of the states with comparatively small population but we have an assessed valuation of five hundred millions of dollars. It is a very fair and I think lucid exposition of the consolidated system to say that we are like a great business with a half billion capital. We are spending more than ten million dollars this biennium in improvements and we are far better able to spend the people's money intelligently and to administer their affairs rightfully than ever before.

I trust I may be pardoned for repeating a request made at the first meeting of the Idaho Cabinet. "Gentlemen," was the demand at that time, "we will expect your monthly reports to contain statements of what you have accomplished, not roseate predictions of what you expect to achieve." Logically pursuing this line of thought, may I not offer some few of the concrete results of the first four months of the operation of our system.

As several of you may know, Idaho's north and south highway has been the subject of oratory in our state for the past six campaigns, but until recently it has remained an illusory boulevard, existing largely in the minds of the politicians. Those connected with the administration have taken no inconsiderable pride in an announcement from our commissioner of public works to the effect that the north and south highway will be safely passable by the summer of 1921. The road will become a reality with the completion of two contracts recently let which total more than a million dollars.

The Department of Commerce and Industry has adopted a policy of personal interest in the welfare of the individual bank. Series of improved forms have been suggested to different bank directors and in more than one instance it has been found possible to change profitably an entire system of bank management. Increased receipts and decreased office expense have been outstanding features of the administration of the commerce and industry commissioner. The figures show favorable balances in both the receipt and expense columns.

A recent achievement of the Commissioner of Immigration, Labor and Statistics was the thorough advertising of a resale of eleven thousand acres of state lands at Rexburg. This transaction netted the Idaho treasury one hundred eighty seven thousand dollars.

Vigorous efficiency in the department of public investments already has begun to pay substantial dividends. The commissioner reported at a recent cabinet meeting that his collection on certificates of sale of land, timber and interest on loans for the seven months ending July 31 were approximately three hundred thousand dollars greater than the

ingatherings of the same period of 1918. Legal action is the sword being relied upon to sever the Gordian knots into which many of the state loans had revolved themselves. Sales already have been made in several instances and there are now in the courts forty-seven cases which will be carried to a prompt conclusion, while there were found as an inheritance of the old regime 151 past due mortgages, some on which neither interest or taxes had been paid in five years.

In other years, when the state register commenced suit on an overdue loan, he was often interfered with by our overzealous land board, but the present commissioner of public investments is not and will not be deterred by action interrupting the full exercise of his authority. In brief, Idaho's farm loan transactions are being raised to a plane of business efficiency, Encumbered mortgages are being cleared and unfortunate loans are being either foreclosed or re-written on the basis of a sane valuation of the property. A banker, myself, I confess that I was rather more than astounded by the condition in which I found many of the state loans. It was once asserted that Idaho had never lost a loan dollar, but the sole reason that boast could be made successfully was that no attempt had been made to collect from delinquent debtors.

Our Commissioner of Agriculture has declared that he intends to protect the farmer adequately from the moment his seed is planted in the ground until he actually receives his check. Pursuant to that policy he has established thoroughly advertised grades on Idaho potatoes, hay, grain, apples, prunes and cherries; he has furnished the farmers market reports in the form of a regular bulletin service; he has authorized the licensing of capable individuals to weigh grain at the various bonded warehouses in the state; he has seen that sufficient inspectors have been put into the field to guard against all species of injustice and he has examined carefully into charges of fraudulent dealing and he has launched vigorous campaigns against both plant and animal diseases where ever he has found them.

The Agricultural Department is vitally important in the state of Idaho because sixty-five per cent of our people are

intimately interested in some form of food production, and three hundred thirty-five millions of our wealth may be found invested in land and live stock.

Administered by the Secretary of State, at an initial saving of the salary which would have been paid a commissioner, the department of law enforcement has achieved unusual things in its bureaus of constabulary and of fish and game. In the fish and game bureaus more than twice as many licenses have been issued in the first six months of 1919 as were issued in the same period of the preceding year, and there is every reason to expect that this ratio will continue to manifest itself. The officers of our state constabulary recently have been paying particular attention to licenseless automobiles and to the occasional bootlegger who still inflicts his wares upon a long suffering citizenry. It has been estimated that revenue saved by the strict enforcement of the automobile licenses alone has more than paid for the operation of the constabulary bureau.

In the Department of Finance foundations are now being laid for the preparation of a state budget which will eliminate the serious evils resulting from haphazard appropriations made by the legislative committees. This budget will be a careful, scientific analysis of the financial needs of our institutions and departments, designed, of course, to enable the legislature to authorize equitable expenditures.

The Commissioner of Finance recently has introduced into all the counties of the state a new and thoroughly modernized system of bookkeeping; where before there were 44 different systems there now is one. County officials throughout the state have acknowledged that this improved system affords complete records, makes information readily available and saves time.

This department has examined carefully the bonded indebtedness of the several counties with the view of supervising bond sales. Recently, too, it has carried on an active campaign through the banks of the state, urging against the exchange of government bonds for other so-called securities. This latter campaign has met with a cordial response from patriotic minded individuals.

Complete coordination of the work of our three state institutions devoted to the care of the insane has been one of the outstanding achievements of the commissioner of public welfare. By a process of conferences, visits of inspection, and continual contact through correspondence, the superintendents of the three asylums have been enabled to profit by their mutual mistakes and mutual proficiencies. Surveys of all three institutions will be made some time in the near future by investigators representing the National Committee on Mental Hygiene.

Among the spectacular accomplishments of our commissioner of reclamation was the satisfactory adjustment of difficulties arising from Idaho's unusual water shortage of the current year. The state was faced with the most serious water scarcity in its history and it can readily be imagined by those who know irrigation that the commissioner was overwhelmed with conflicting claims. His success in making satisfactory adjustments speaks well for his ability both as a diplomat and as an engineer. His solution of the problem which was both physical and psychological and the rotation of water under his direction literally saved millions.

By a careful compilation of weather bureau reports for the past twenty years the commissioner of reclamation expects to be able to issue timely warnings if there is any likelihood of a repetition of our 1919 calamity. He believes that failure to use early spring water contributed largely to our present difficulties and thinks that if the farmers can be warned in time next year a similar catastrophe may be avoided.

In private business we have all of us noted that where individual responsibility is lacking there is lacking efficiency. The same thing holds true in public business. The individual with no responsibility does not get results. Even great business men today at the head of great corporations, employ professional auditors to check them up and to make them report to themselves. The centralizing of public business where heads of departments and their subordinates have some one to check them up means better work. The board or bureau of the old regime provided a cloak behind which

the individual might hide his procrastination or weakness. Today in Idaho the cloak is rent and the individual exposed.

THE CHAIRMAN—Governors, we have heard two excellent addresses upon a very live subject. What is your pleasure?

I notice by the program that we are to leave for Saltair at 4:30. In view of the short period between now and the time to start for that point, it may be well perhaps to defer further discussion of this subject until our sessions tomorrow. We can, and, of course, will discuss the subject informally while on our trip this afternoon.

It was then moved and carried that the formal session adjourn until nine-thirty o'clock Wednesday morning, August 20.

WEDNESDAY, AUGUST 20TH, 1919.

MORNING SESSION.

GOVERNOR TOWNSEND, Delaware, in the Chair.

GOVERNOR ALLEN—Governor Harding must leave at noon, and has asked me to substitute another member on the resolution committee, and I therefore substitute Governor Robertson.

I now introduce to you Governor Townsend of Delaware as Chairman of the day.

GOVERNOR TOWNSEND—These conferences, and their friendly relationships and pleasant communications with the Governors, have grown to be very pleasant to me.

I have been very pleased with my trip through the west. It is my first trip, and I have been wonderfully impressed with your great country; especially have I been impressed with the wonderful buildings of Utah—this immense State House, and the buildings which I have seen; and the constructive operations that I have heard and observed have impressed me very much.

I will not attempt to take up your time this morning with any long remarks, but will get right down to business.

I note that the program calls for a round table discussion of "After the War" problems, including a resume of 1919 legislation relative to education, labor, and agriculture.

May I say that on the subject of education, about the most radical step that the Delaware legislature took at its last session was to pass a new school code which has completely revolutionized our school system. Under the new code I was enabled to appoint one member on the commission, created to administer its provisions, who became so interested in the school situation that he has contributed five hundred thousand dollars to the schools of our State, to be used in conjunction with what the State appropriated. We feel we have taken advanced steps in our Educational institutions, The Rockefeller Institute, which worked out our code for us,

tells us it is the best of all the codes in the United States, which we hope is true.

GOVERNOR HARDING—We have in Iowa a few mines, which employ about 15,000 men. The last legislature made an appropriation of \$50,000 and placed it in the hands of the Superintendent of Public Instruction to be used as he saw fit, to improve and standardize the schools in the mining camps. We have just completed a survey of the camps, and the money will be used in some places for equipment, in others to remodel the existing schools, in others to hire, or add to the salaries of teachers, and also in some places to hire truant officers.

For some years we have been making appropriations to assist schools to come up to a certain standard and have found this procedure very practical and very helpful in raising the standard of the schools throughout the State. We have also encouraged the consolidation of schools. In two or three of the counties we now have the schools all consolidated, and we are pushing the matter forward as rapidly as possible and as public sentiment will approve. The superintendent of public instruction has arranged, or is now arranging, for a week during the month of September in which the superintendent and the Governor will visit the schools of the counties, or as many as we can, and organize them. We shall load up the people in automobiles and go from school to school and stir up interest and enthusiasm about the education in the public schools in general. As the news went out that we were planning to do this, word came from each of the several counties, or at least from each of most of them, asking us to visit their schools. We hope to be able to revive or arouse a real enthusiasm for the public schools.

Personally I have the feeling that there is no public institution in the state government which should receive more attention than public schools. In my State we have fifteen million dollars invested in public school property and we raise and pay a little better than thirteen million dollars a year to public schools.

We have about fourteen million dollars invested in institutions for the unfortunate, and we raise and spend four and

a half million dollars a year to take care of them. I am satisfied that every time we invest a dollar in public schools that we are reducing the amount of money necessary to take care of the unfortunate.

The war I think developed the fact that education is necessary not only to be successful in business, but also necessary to become useful citizens, and what is true of the educated or trained man in war, is a thousand times more true of him in peace, and so I expect to devote a great deal of time and energy to public schools during the remainder of my term in office.

About sixty per cent of the taxes raised in my State go for education and I think the percentage ought to be increased rather than reduced. About the only thing a State can do for a boy or girl is to furnish him or her with an opportunity to acquire an education. I am a firm believer in this, that it is the duty of the State to furnish them with an opportunity to find out in the public schools what they want to be, and then prepare them well to reach their goal. The most unhappy soul is the one who is trying to do something that nature has not qualified him for. I believe it is the mission of the public schools to furnish opportunity to the boys and girls, and with that object in mind we have been putting in as fast as we can, the various arts and industries into our public schools, and we have found it is very encouraging to the boys and girls.

Many a lad, because he was not interested in Greek or Latin, has failed to get on in school, but if his attention is fastened on a thing which he loves, that outweighs his opposition to the things which he dislikes, and he stays in school and does the best that is in him.

I take it, however, that our state is drifting along much the same lines as the other States.

THE CHAIRMAN—Did you say that sixty per cent of all your taxes are for your schools?

GOVERNOR HARDING—Yes, sir. Especially in small towns, we provide a vocational course that includes agriculture. We contend, in our State, that that is not a job for the untrained

mind, but it requires a man with a trained mind; in other words it is a profession and science. We find that many boys who have a dislike for farming overcome that in these schools where a course is given in agriculture.

GOVERNOR GARDNER—What per cent of the money received is set aside for the public schools?

GOVERNOR HARDING—I am unable to give you the exact amount, but I think out of the thirteen millions spent, about eleven millions go to the public schools.

GOVERNOR ALLEN—What about university extension work?

GOVERNOR HARDING—We have not had a great deal until the last year and a half. We have done extension work through the Agricultural College for the past ten years, but about a year and a half ago we began to work this through the University. Quite a good sized appropriation was made last year for that class of work. In the agricultural department I think we employ about two hundred people. We carry the Agricultural College to the people of the State. I firmly believe myself that the same thing could be done by the University.

GOVERNOR TOWNSEND—Your system is a State system?

GOVERNOR HARDING—It is a combination.

GOVERNOR ROBERTSON—I thought I could get more benefit by listening, but this is a subject of great importance and it appeals to me so strongly that I want to talk, in a sort of general manner, in order that I may get assistance from the other Governors with reference to the management of the common schools.

In Oklahoma, like a great many other States, we have more populace in the rural districts. We have I think 560,000 boys and girls from 6 to 21 in our public schools, and fully sixty-five per cent of them attend the old district schools.

I think one of the most important "after the war" questions is the solution of the problem which I will now outline.

I recall that when I was a boy we toiled pretty heavily on

the fundamentals, the three R's. Nowadays the boy or girl that has not more than ten or twelve different subjects to handle is being neglected, and as a result the common school is not coming up to the expectation of the people. The education is becoming top-heavy. The boy who goes to school now has not only the three R's, but he is trained in domestic science and art and so on and a great deal of time is spent in gymnasium and athletics, and things of that sort. When you stop to consider it they are only in school about five and a half hours a day for about five or six months of the year, which does not mean much after all, especially in a cotton growing state. It presents a very serious question, and I am inclined to think this is due to what some people call "educationitis." I don't mean that offensively at all, but there has grown up a system of inspection, and before a school can be graded applicants have to comply with certain requirements of college instruction. It seems to me to be required by the superintendents to get as many schools graded as possible regardless of results. This is growing every year, instead of decreasing.

I have caused a survey to be made in our State, for the purpose of getting back to the first principles as far as possible.

I know that out of every ten boys and girls in our State, three of them will perhaps go through high school and college and university, but the remainder pretty well obtain all their education in the schoolhouse back at home, and I much prefer that a boy and girl in these country schools should be well acquainted with the fundamentals, rather than they should have a smattering of a lot of things which will be of no practical benefit to them in after life. I favor more emphasis on the fundamentals, and advocate the changes necessary to bring this about, and yet I don't know exactly where to begin because I don't want to fly in the face of the educators of the country and attempt to put out the practices that have obtained for the past twenty years. I do know that there is something fundamentally wrong with the system of common schools of the country. I wonder whether the Governors of the other States have met with the same difficulty, and if so, what they are doing to solve the problem.

The higher institutions of learning are getting the bulk of the State aid. We have six Normal schools, with heavy pay-rolls, and we are spending a world of money on the higher institutions of learning, and we are leaving the common schools to be supported very largely from the rentals of school lands and by direct taxation. The major portion of our tax money is expended for education, but I think the institutions of higher education get most of it.

I would prefer to see the common schools get more than they do. The children must be grounded in the fundamentals, and I am sorry to say that, as far as my observation goes, the common schools of my State and other surrounding States, are not meeting with the requirements of the people.

EX-GOVERNOR SPRY - I think the Governor of Iowa said they were expending sixty per cent of the taxes on education. Does that mean taxes only, or entire revenue?

GOVERNOR HARDING—It does not include roads.

GOVERNOR BAMBERGER—If I may be permitted, may I have the privilege of calling attention somewhat to myself, for I don't believe there is anyone within the sound of my voice who values education more than I do. I am not exactly an object of charity either, but I may tell you that when I arrived here I had about \$16.50, and I may also say that I have got it yet. I could not then speak a word of English, and some of my friends say that I cannot talk English yet, and they are correct about that. The reason I say that is because no one appreciates education more than I do, for when you know of a thing and know that you do not possess it, you naturally feel and know the value of it.

The first public office I held here was that of member of the board of education, and the first thing I learned there was that the educators were not sufficiently paid, in fact that all of the educational officials were underpaid. I therefore used what influence I had to have their salaries increased, and they were increased. Accordingly I have been known (and I believe I have the right to repeat it here) as the friend of the teachers, and when I became Governor you may be sure there was nothing I could do that was too good for the teach-

ers. What you will find in this amended school code of the State of Utah, passed last year, is the work of the teachers. I had not sufficient intelligence or knowledge to go into it in detail, but I took their word for it, and whatever the teachers wanted was good enough for me, so that if there is anything wrong about it I am to blame, because I had faith in and relied entirely on the teachers.

I am glad to know that Governor Harding is spending so large a percentage of the taxes on education. I want to say, gentlemen, that Utah expends seventy-five per cent of its revenue on education. We have an act here providing that the Superintendent of Health shall be appointed to look after the health of the children, and the young people, and then we have an act providing for vocational education. And by the way, I remember the word "vocational" because I walked up and down the room repeating the word "vocational" so that I should not forget it. Now I have it and I won't let it go. It is very hard for me to pick this up in the proper words, but I know enough to be aware that vocational education is one of the finest things we have in the way of education. Many young men apply for a position; they don't want work, they want a position, and young men serve their time in an office for sixty or seventy-five dollars a month, when if they knew how to drive a nail straight, they could get \$150 a month and a job at any time. As I understand it, they are now taught everything in the mechanical line.

We find here in Salt Lake, and probably also in other cities in other states, that since the dawn of prohibition we are getting a better class of children attending the schools. We find those that used to come there in shabby clothes, are now clothed with clothes of good cut; those that came there half starved now come well fed; so that after all we can look forward with great hope as far as our schools are concerned. That will probably bring about a greater change in the condition of the people in time to come than anything else.

Let me say right here that I am not a professional prohibitionist—far from it—and I may here say that I was termed a "saloon-keeper" during the last election campaign, because

I owned a resort where liquors were sold, As a matter of fact I was not a prohibitionist, but as I could not be Governor without being one, I was a prohibitionist, I swallowed it all. There is this about it—when I said that I would see the prohibition law was passed, I meant it; when I said that I would sign it and no other man would get the chance to sign it, and when I told them that I would enforce the law, I meant it, and I have done it. I find today there are only 118 men in prison in this State. You go to our Police Court and you cannot find enough men to make up a chain gang, but you go to the banks, especially the savings bank, and you will there see men who never knew what a bank account was before. I have seen men on the street whom I have known for forty years, who prior to prohibition spent their wages on Saturday nights in the saloons, and their poor wives and children stood waiting outside in order that they might get some small part of the earnings of the misguided wretch who was within the saloons. But now what do you find? You find this man walking home with his arms full of clothing and provisions for the wife and little ones. This you could not have seen had it not been for prohibition.

I neither smoke nor drink. I don't cast any reflection on any of you gentlemen who do. I don't drink because I don't like it and cannot drink it; and I don't smoke because I can't; I have tried it.

There is no doubt in my mind that prohibition is going to help us all materially and is going to be of the greatest possible benefit throughout the whole of the United States, and will have the effect of having the children all well educated. Give the foreigners a chance. If I had had a chance when I came to this country, don't you think I would have taken advantage of it? I certainly would have done so, and I may say that I feel the need of it every day, and I say that the American children ought to be very grateful to think of the education which is being brought to their door, and the law ought be enforced to see that they embrace it.

GOVERNOR LARRAZOLO—This subject appeals to me very strongly. I presume that it appeals to me for the same reason that it appeals to the Governor of Utah. While listening to

his remarks, I was very much impressed with the similarity of our experiences. He says that when he came here he had \$16.50 in his pocket; that is exactly \$15.50 more than I had when I came here.

He says that he could not speak English. I remember when I went to school at the age of sixteen, the boys all round me were talking English, and I had one answer for everything they said to me, and that was "yes," and you may be sure that provoked a great deal of laughter among the young folks.

It is a fact, Mr. Chairman, that we in this country cannot do too much or spend too much money in cultivating the wealth of our land in the discharge of the very serious responsibility of American citizenship. I have long since been convinced of the fact that American principles and ignorance cannot travel hand in hand. In my State we have taken great pains of late so far as education is concerned.

New Mexico stands in a very peculiar position among the other States in the Union. As you are aware, she came under the protection of the American flag as the result of the War of 1847. Utah at that time had little or no population; New Mexico had a great deal, Spanish and Indians. The English speaking immigration into New Mexico from the time of her admission to the Union until the first locomotive came, was very limited and really the great majority of the English speaking people that have come into the State have come since about the year 1881. Previous to that time, the native population was doing what they could along the line of education, and that was very little.

There was one institution of learning that was established in the territories in 1869 for boys who were brought into the country. Two and a half years after the establishment of this college, a school for girls was established, and these two institutions are in a most flourishing condition today. Such of the young men and women as could afford to go to these institutions received a very good education, and they are today among the leading men and principal women of the State. The facilities for education were, however, limited to those two institutions principally.

Strangely enough, while our Government undertook to establish, and did establish, good public schools throughout our country, it never occurred to the Federal Government to spend one solitary dollar on the education and teaching of the English language among the citizens of the State of New Mexico, and they have not done so up to the present time, except in one college.

Our public school system, however, was established some twenty-five years ago, and in so far as public schools in the larger centers of population where English and Spanish is spoken, that system has been very successful, for as the result of it you can go to our centers of population where people speak both languages, and you will find the younger generation speaking English everywhere, in fact in preference to Spanish.

The system failed in those more sparsely settled places, where the English speaking settler had not gone and where consequently Spanish is still spoken. English speaking people did not attend the public schools in those settlements. Men and women could not speak a word except their own language and therefore could not explain to the people in Spanish. The result is that men and women who are thirty or forty years old, and ought to be able to speak our language, cannot do so. Therefore it is quite a common thing in my state to find interpreters. Many people who come in from the rural districts cannot speak English, and therefore must have an interpreter. Shortly after I arrived in New Mexico I discovered that a great mistake was being made; that the methods were wrong and misunderstood. I attempted to change that method for one I had used myself when a boy while teaching a little country school in Texas where the people were all Spanish and there were only three English speaking old men in the community.

When I opened my school, the children came at all times, and the seats were all taken up, and some sat on the floor. There were no desks. When I wanted them to get books they told me they could not afford books.

The three English speaking people had three newspapers sent to them from New York, and some of the boys picked

up these papers and brought them to the school, and that is all they had. One little fellow said to me, "Teacher, I have the teaching," and he handed to me a piece of pasteboard with A B C written on it. I had the greatest difficulty in getting any appropriation from the trustees; I asked for books and they said they could not supply them. I spent three months that way, and then sent to Chicago and bought books, and those were the first books that were ever seen in that community. I commenced by teaching them to read Spanish, and I was immediately reported to the Superintendent of Public Instruction for violating the laws of the state, and I had a letter from the authorities on the subject, I replied saying that I had done it, and gave my reason for doing so, and I said that not a single child could read the English alphabet. I said "Give me a trial for one year, and if I don't get results I will leave the school." I taught there for five years, and out of that little country school you will find some of the leading El Paso citizens. The method which I adopted was teaching each little child to learn in his own language every word that he read in the English language.

I have now established a law in the State of New Mexico which it was hard to get the educators to understand, but if you happen to go to the State in five years from now, if the method I advocated is in practice, you will find that every man, woman and child in the State is taught English.

I desire to say that the methods of education which were provided for by the last legislature, have received the commendation of all educators throughout the United States, and they are all lavish in their praises of it.

I cannot give you the amounts of money we spend for the education of our youth. We are impressed with the necessity and will expend to the limit that our resources will permit.

THE CHAIRMAN—It will be necessary for us to hurry through this Conference because we must adjourn promptly at four o'clock. We have with us here today two of the pioneers of the Governors' Conference, whom I am sure we shall be glad to hear from during the morning.

GOVERNOR HARDING—Mis. Baker of Washington is here on behalf of the suffrage movement. She wishes to address the Governors this morning for from three to five minutes.

THE CHAIRMAN—This can be granted only by unanimous consent.

GOVERNOR ROBERTSON—I withhold my consent. I think this is not the time or place to hear such an address.

THE CHAIRMAN—We will proceed with the discussion of education.

GOVERNOR SPROUL—Possibly our experience this year in Pennsylvania may be interesting to the Conference, especially in view of Governor Robertson's remarks regarding the common schools.

We have in Pennsylvania always made a very liberal allowance of state funds for the assistance of the districts. We don't levy any state tax on realty. We collect all the State money from corporations. We have no direct taxation, but we were able this year to appropriate thirty to thirty-five million dollars for educational purposes. However, as has been brought out, we have found the State appropriation for common schools has been nibbled away by various innovations that have been introduced, so that the amount available for the common schools has become gradually less and less.

This year we were confronted with a serious situation with regard to teachers' salaries. We found that fewer and fewer were becoming teachers, because the business of teaching was in a pecuniary way no longer attractive. This situation is right now somewhat alleviated because a good many who had left the schools and gone into other lines of work have come back, first because these other lines of work have been closed now that the war is over; and second, because the teachers' salaries have been increased. We made a general increase of teachers' salaries, of about 33 1-3 per cent. We have almost fifty thousand teachers, and the State has provided a new scale of compensation ranging from twenty to forty per cent increase over last year's compensation, and this has had a good effect.

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Our direct appropriation to the public schools, including six million dollars set aside for additional teachers, will this year be over 25 million dollars.

In addition we appropriate something for the university and for training schools, which will make our total appropriation over 30 million dollars; but as I have said, we found in the case of the rural schools, a pronounced apathy, a tendency to get into a rut and stay there.

During my term the old state superintendent of public instruction was called away after thirty-four years of service. Some of the educators and I spent some time looking round for his successor. I went over to New York and got a superintendent at a salary of \$12,500, and in him we think we have the best expert on rural education in the country.

THE CHAIRMAN—Did you say the rural districts don't raise any taxes?

GOVERNOR SPROUL—Yes, they do; but we have no direct state taxes. We don't burden real estate with a tax for state purposes; we take it all from other sources. The contribution to the districts comes from outside sources.

GOVERNOR ALLEN—How do you select your State Superintendent?

GOVERNOR SPROUL—The Governor appoints him. We have a board of education there and the superintendent of education, and they run along side by side. This year I secured legislation which made the superintendent of education the executive director of the board of education.

THE CHAIRMAN—Are they state boards?

GOVERNOR SPROUL—Yes, sir. The superintendent of education is now executive director of the state board.

THE CHAIRMAN—What about consolidation?

GOVERNOR SPROUL—We are going to proceed this year by providing for rural consolidation and by making a very substantial appropriation for the transportation of children. We have made a good deal of progress this year and I am looking

for great results, especially in rural schools. The larger compensation to teachers should give us better trained men.

GOVERNOR CAMPBELL—What proportion of the total expenses of the district schools does the State contribute?

GOVERNOR SPROUL—I should say close to forty per cent, and that does not come from direct taxation.

THE CHAIRMAN—Is it left with the rural districts to raise the difference in taxes?

GOVERNOR SPROUL—Yes, sir. The State appropriation is distributed on the basis of three factors: population, attendance and taxes. We had some districts in the State where they used to think they had to declare a dividend out of the State funds distributed to them.

GOVERNOR CAMPBELL—I would like to ask the Governors present whether any of them have tried out the idea of part time schools. We have passed such a law in Arizona, and I notice that Utah has also passed one. I want to learn how it has worked out, if I can.

The idea is that a boy or girl of a certain age (in Utah it is eighteen and in our state it is sixteen) must be given the benefit of certain school hours each year, during certain hours of the day, usually from eight to six. It has become obligatory on the part of an employer to allow a child of this age to attend school for those number of hours at his (the employer's) expense. In the form of the law both of Utah and of Arizona it is compulsory, with certain reservations, such as physical incapacity of the child.

Then there is another point on which I wish to get information, and that is the extension of vocational training to the rural schools. We all know we have that advantage in high schools, whereby special industries, agriculture and economics may be taught, and we think it should be extended to rural schools, and that the State should grant to such schools as follow the instructions laid down by the State Board of Education, under the superintendence of the State Board of vocational education, not less than twenty-five per cent of the teaching expense.

GOVERNOR ALLEN—We have one part of our State funds devoted to vocational training in Kansas and we have extended vocational training to a great many of the rural districts of the State, and it is growing very rapidly.

GOVERNOR CAMPBELL—Does the State assist the rural district in a monetary way?

GOVERNOR ALLEN—No, it all comes out of general taxation, but the State pays the teachers out of the general fund. The schools are being paid for out of direct taxation.

GOVERNOR CAMPBELL—So that the counties themselves pay for the vocational training in the rural schools without assistance?

GOVERNOR ALLEN—Yes, no more than for the purpose of organizing work, which is paid for by the State.

GOVERNOR CAMPBELL—How about the part time schools?

GOVERNOR ALLEN—We have followed that in various parts of the industrial districts.

GOVERNOR OLCOTT—I only wish to take up a moment or two of your time. I wish to say that the Oregon schools have been given intensive attention. I think as an educational state we rank well up.

The last legislature provided for vocational training in an advanced form, but the system has not so far been sufficiently tried out to determine as to its merits or demerits.

I was very much impressed by the brief remarks of Governor Bamberger and Governor Larrazola. I wish every school child could have been present here today and heard them. It surely would have been an inspiration to them—it was to me.

It may please Governor Bamberger to know that the best educator we have ever had in Oregon came from the State of Utah. I speak of Dr. Kerr. He was brought there twelve years ago and he has built up the Oregon Agricultural College until I believe it is second only to that of Iowa. If we can only keep up to Iowa in that regard, we shall be happy.

We shall have to do some lively stepping and some hard work, but I hope and trust we may succeed.

GOVERNOR FRAZIER—I have for a long time felt that the children in the rural districts have not had a square deal in the way of education, and in North Dakota we have determined to give them better and greater opportunities.

The State aid in North Dakota, as in the other States we've heard of today, has been given to high schools in greater proportion than to rural schools, but the proportion to the rurals has now been increased so that we have in North Dakota over five hundred consolidated schools.

I am very proud that the farmers have at last awakened to the fact that their children are just as good as the children of the city people. They are now willing to tax themselves to enforce consolidated schools for the purpose of raising the standard of education amongst their children and this is the only way, in my opinion, to give the boys and girls in the rural districts a fair chance to get an education.

Consolidated schools are no longer in an experimental stage. They have proved a success and the attendance has increased materially over the attendance under the old system, and I believe we will increase consolidated schools from year to year.

THE CHAIRMAN—What about the transportation—does the State provide the transportation?

GOVERNOR FRAZIER—No, but transportation is compulsory upon the district if the children live over a mile and a half from the schoolhouse.

THE CHAIRMAN—When I took office I did so with two objects in view: One was schools, and better schools, and the other was roads, and better roads.

I graduated at a little schoolhouse back in the woods two and a half miles from home. Of course my principal object when I became Governor was to give every boy and girl the best opportunity I could to secure an education of the best kind. Our school system was at that time so poor that we ranked thirty-third in the states of the Union. Now that ought not to be the case in a state like ours where we have

very few foreigners. With the idea in view of bettering our schools the first Legislature after I became Governor, authorized me to appoint a school commission to investigate conditions and report back. An appropriation of five thousand dollars was made for the purpose.

We got in touch with the Rockefeller Institute and they came down and made a survey for us, putting into the survey and a bill based upon it the best of every State in the Union. This survey and bill came late in the session of the General Assembly and there was a great deal of opposition to the passing of the bill. On the last night of the session we were able to get the bill through by just votes enough—not one to spare. Along about twelve o'clock at night, when we were moving the clock back, I asked one of the members of the opposing parties to vote for the school bill, and he said "I don't want to;" and I said "All I ask is that you will vote for it if I need it" and he said "I will." That vote was needed. Of course that bill meant increased taxation in the rural districts and the Governor is being crucified for increasing the taxes in the State. I think it is very much more important to have educational facilities than it is to remain uncrucified.

I think our system is going to turn out wonderfully well. I appointed one of the big men of my State and he is giving five hundred thousand dollars a year for four years to help build good schools; so I think that in the near future we will probably have what we think will be a model system of schools.

I had a great deal of difficulty in getting this man to accept the appointment, but after accepting it he is practically giving up his whole time to the study of the problem.

Of course, with this comes the consolidation of the schools, and our consolidation scheme is working out nicely; in one district five schools have already been consolidated and the results are very satisfactory.

GOVERNOR MCKELVIE—The consolidation of schools is the solution of the problem which confronts us with reference to rural school conditions. We found in Nebraska that even when given the opportunity to consolidate, we were still

confronted with a very serious problem: that it was not compulsory, and districts would consolidate in a very irregular manner, leaving irregular districts that could not join. In one instance our lack of system resulted in the consolidation of a territory a mile wide and six miles long. To overcome that condition and to provide against further such trouble, we passed a law requiring officers of the State to define the outlines of a district. It provides that in consolidating no district can encroach upon a district which has been defined by the State. Consolidation in Nebraska may be effected by a majority vote of the electors of the district. I believe that state supervision of districts will result not only in overcoming the difficulty of which I have just spoken, but will actually encourage consolidation.

There is no doubt in my mind that consolidation will bring about the revolution necessary in rural schools. In our state, which is one of the foremost in the Union, it is really a shame, the way the rural schools have been run. These schools and their deficiencies have been responsible in a very large degree for the exodus of farmers from the country to the towns—they naturally want to go where there are better educational facilities.

Nebraska at the opening of the war had some Germans, Russians and Swedes who had come in and colonized, because they saw an opportunity to build and own homes. They have been encouraged by those engaged in industries and trades to colonize. They have been patronized and they have been encouraged along wrong lines by persons who wanted to get the votes of these colonists. They encouraged them to colonize and so perpetuate the ideals and the beliefs of the country from which they came. They did not have an intelligent understanding of the language of our country. Neither did they have or acquire an adequate appreciation of their duties as citizens of this country, so when we got into the war we did not find very much support from them. Immediately the accusing finger was pointed at them and they were told they were disloyal. I think they were uninformed or misinformed—they obtained all their information from prejudiced sources. Now that the war is over and we see the

result of what has been accomplished in Nebraska by enlightenment, I am more than ever convinced that this attitude was due to lack of information or misinformation, because when an information was instilled into them and they understood that their attitude was a menace to their own welfare, they promptly came to our support and gave their sons and their money, as did the other citizens of the country. We feel that the prime reason for their original attitude was that we had made a mistake in encouraging these people to speak and to understand only, or principally, the language of their native country. We have therefore proceeded to rectify that through our schools.

GOVERNOR ALLEN---Did you allow both languages to be taught?

GOVERNOR MCKELVIE---We prohibit the use of any foreign language in any school up to the 9th grade, either public or private school.

GOVERNOR ALLEN---None of the dead languages?

GOVERNOR MCKELVIE---I think myself the Legislature overlooked that feature, but I am giving you the facts. I think they should have been permitted to teach them. This is in direct controversy to Governor Larrazola, but we have a different problem from that of New Mexico. We think if they are brought into contact with American people they have the opportunity to learn the English language if they want to. Also in the development of the Americanization principle, we standardize our teachers, so that no teacher can teach a private school who is not qualified to teach a public school. We found that in these foreign communities the people would pay their taxes and then patronize the private schools (rather than public schools) where their own language would be taught. I am convinced that it was high time we took this matter in hand. A soldier from overseas recently told me that a large portion of the men sent to the lines as riflemen from the Central States were foreigners, and that they were unable to understand our language and that as a result interpreters were necessary in order that the

officers might communicate their commands to the men. He said that every time an interpreter was shot eight men were put out of commission.

I think, therefore, it was time to put educational matters in proper shape in our State, even though conditions were not so bad as they are in some of the industrial districts in the East.

GOVERNOR ALLEN—Sometime since I called a conference of Highway Engineers to discuss the matter of good roads. Seven states were represented, and it was the desire of that group of men that we ask Congress to appropriate more money for State aid. The money appropriated for the purpose of giving impetus to road building, has been very successfully expended, and I believe that we could use to wonderful advantage an appropriation of four hundred million dollars distributed over the next five years, to be apportioned with the understanding that the states that made use of it should give to road building a sum equal to the amount which they received from the Federal Government. I would like to offer this resolution which I have here. The present law gives us some latitude; it turns over to the Highway Commission the Federal aid with the understanding that they may use it. We want to get more Federal aid, and so I am suggesting that we pass a resolution something like this:

"Whereas, the appropriation of Federal money for aid to road building has given a valuable impetus to road building in various states; and,

"Whereas, the allotment of this appropriation has been exhausted in many of the states; therefore be it

"RESOLVED, That we express to Congress our appreciation of the value of this program as an aid to road building in the states, and urge added Federal appropriations to be used in cooperation with State aid. It is our belief that an appropriation of \$400,000,000 be allotted to the states with the understanding that all states receiving Federal aid shall expend a sum equal to that given by the Federal Government. This appropriation of \$400,000,000 should be made available for use during the next five years."

GOVERNOR STEWART—Can we pass such a resolution under our by-laws? I think we are prohibited from adopting a resolution like that. Of course, we may get round it by

having it signed and presented. I am in favor of it; but we have a set of written rules.

THE CHAIRMAN—I understand it has been a rule of the Conference not to pass resolutions of that nature, but there is no definite by-law.

GOVERNOR STEWART—I have absolutely no objection to this resolution, but I think that a practice that would admit of the passing of resolutions on the issues of the day would not make for harmony.

GOVERNOR CAMPBELL—Cannot this be done by the unanimous consent of the Conference?

GOVERNOR CAREY—I cannot agree with the sense of the resolution. This money will come from all the States. Now in Wyoming a large portion of the land is controlled by the Federal Government; fully sixty per cent of it pays no taxes and the other forty per cent will have to bear the costs of the Government loan. I think the western states should be protected; but apart from this I am in favor of this resolution.

GOVERNOR ALLEN—I realize Governor Carey's objection, and in the conference which began the work of memorializing Congress we had it that in the states which are sparsely settled, where the building of roads would be a burden, that the Federal Government would authorize the Highway Commissioners to expend a larger sum than an equal amount, and I shall be very much pleased to incorporate that in the resolution.

GOVERNOR LARRAZOLA—The State of New Mexico is very much in the same condition as Wyoming, and many other western states are in exactly the same position. Our principal source of revenue is the livestock industry which largely depends on the public domain for their existence. I have no objection to the resolution going through even in the form in which it was presented by Governor Allen of Kansas, for I am always disposed to put my name on all the good things we can get hold of, even though I am not in a position to share in them. New Mexico desires to be included in the

benefits to be derived from the building of good roads, but we do not own the public domain—it is owned and controlled by the Federal Government. I don't know if it is generally known to the Governors here present, but it is a fact that in the so-called arid states of the west there are 222 million acres of unreserved and unappropriated public lands, known principally as grazing lands. They belong to the Federal Government. They don't contribute one nickel to the general development of any of the states. If we all have to contribute, dollar for dollar, in connection with the building of good road, where are we to get the money?

GOVERNOR ALLEN—May I ask if this provision will meet the situation:

“In States where, because of sparse population or other difficulties, road building under this program becomes a burden there may be given authority to expend a larger sum of federal money. In those states where roads are built through government lands, the entire cost of such roads shall be borne from federal appropriation.”

GOVERNOR LARRAZOLA—It does in a way. If I can accept that amendment I will gladly do so, but I am going to ask this Conference, in addition to the adoption of that amendment offered by Governor Allen, to accept an additional amendment to the end that all the resolution may go through as a whole. I am going to ask the Governors here today to join hands with us in seeing that justice be done to the western states. All these developments in the Western states, these prosperous farms, mean a tremendous amount of toil from dawn in the morning until after dark at night, with nothing to depend upon except brawn and sinew, and yet the sources of wealth in the western states belong to the Federal Government—the sources of wealth which, under our scheme of government, should belong to us. It was understood that when the western states became more prosperous and the lands settled, that those states should be admitted into the Union on an equal footing with the remaining thirteen states of this Union. Now I ask you to pass a resolution calling upon the Federal Government to return to New Mexico the

twenty millions of public domain lands and so in proportion to return the public domain lands to the other states which we claim are entitled to them. The original states retained every inch of land—they retained their wealth. We did not. Now, I believe that the American people, with their spirit of greatness and fair dealings in all their transactions, would agree with the western states in their demand that the public domain lands be ceded by the Federal Government to them. I now ask that all of you join hands with us in pressing forward our demand that these lands be returned to the states wherein they lie. I therefore want to move the following amendment to the resolution:

GOVERNOR HARDING—We have ours in our state and we think you should have yours.

GOVERNOR LARRAZOLA—The amendment is as follows: "And we hereby also request and recommend that the public domain lands of the United States, other than reserved and appropriated public lands, be ceded to the states wherein they are respectively situated."

GOVERNOR BURNQUIST—It seems to me that should be embodied in a separate resolution.

GOVERNOR ALLEN—I am perfectly agreeable that it should be embodied, but I believe it would give more emphasis if it were made in a separate resolution.

GOVERNOR STEWART—I am unalterably opposed to setting a precedent here, or rather breaking a precedent established when this organization was begun, and which has been continued down to the present time. This resolution of Governor Allen's has great merit; it is also a matter in which we are very much interested—nevertheless, as you know, there are many angles to the road building question and to the Federal aid proposition, that are not as simple as they appear to be. You can see from the amendment offered by the Governor of New Mexico what a wide field the discussion of resolutions in this Conference will open up.

Those Governors who established these conferences foresaw, and, like the wise men they were, they fully recognized

the difficulties. Today one member of the original Conference is in the White House and one of the previous White House members was also a member of this Conference, and those original members had as bright a grasp, and as clear an understanding of the issues of the day as we have now, and they realized the difficulty of going into this sort of subject on the issues of the day, and that it would not make for the perpetuity and growth of this Conference. As an illustration: Not long ago we had a special session of the Legislature in our State and the President of the Irish Republic asked to be allowed to address them on the opening day, and there was a resolution before the House looking towards the request to the Federal Government for the recognition of the Irish Republic. For more than twenty-four hours that question was fought, at an expense of \$3,000 to the people of the state. I was very glad to hear Governor Allen discuss the situation, but I am unalterably opposed to the breaking through of the precedent established by these wise men who originated this Conference. If we break through that precedent, the Governor of New Mexico may wish to offer a new resolution, and some of the Governors may have a similar proposition, and some of those matters might not be matters upon which we can agree so unanimously as we can on the present matter before us.

GOVERNOR ALLEN—I don't wish for any preference. I merely thought that the views of the Governors' Conference should go before the Federal authorities. We will not be discussing political matters, but matters recommending themselves to us, and calling for unanimous decision. If, however, you wish to object to this, then we cannot go on with it, and I will ask all of the Governors who are in favor of this resolution if they will consent to sign this resolution, after it is prepared for their signatures, and this will not break the precedent mentioned by Governor Stewart.

THE CHAIRMAN—That is very probably a happy solution of the difficulty.

GOVERNOR ALLEN—I will now ask to withdraw my motion, and will present it for signature.

GOVERNOR LARRAZOLA---I will also withdraw my amendment.

GOVERNOR NORBECK---I am sure that everyone in the United States has been recently disturbed and distressed by the race troubles which we have recently had. The troubles were brought to the attention of the President of the United States and he was asked to call a conference of all the Governors of the United States to consider the question. In reply a letter was received advising us that the regular Conference of the Governors would be held shortly and that this matter should be called to the attention of that meeting formally.

Bishop Bratton, who has given this matter very earnest and careful study, is here with us today. I mentioned the matter to our permanent Chairman, Governor Allen, and asked that Bishop Bratton be allowed to present his views to this Conference. He has no resolutions, as I understand it, to offer but I am sure you will be interested to hear from him---he is a man who has studied the question very deeply.

THE CHAIRMAN--Are you agreed, gentlemen, to allow Bratton to address you?

THE CHAIRMAN--There being no objections, I will call on Bishop Bratton to address you.

BISHOP T. D. BRATTON---May I thank you for the honor which you have thus done the Sociological Conference in admitting me as its representative to this Conference.

This matter of racial relationship is one of the most vitally important matters we have before us as a Nation, and it is going to continue to be so, so long as we are a Nation composed of different races.

The Sociological Conference is an organization which has nothing whatever to do with politics of any kind. It was organized in the South and has gradually extended to the North, for the purpose of studying the social conditions and the moral and other conditions which confront us in connection with this issue. This is a sort of social school, if I may say so, where you will find white people composed of men and

women on the one side and the negroes on the other. I know of no other meeting place where both races are given an equal opportunity of discussing with absolute freedom the viewpoint of the two races.

In order to make this as brief as possible I wish to read to you a synopsis which has been prepared by our Congress, in the shape of a program to which we ask your attention and we likewise ask that you individually approve of it, and that you try to put it into practice.

Our Congress is going to continue its work in order to bring about as much harmony as possible between the two races.

We offer this definite program:

Recognizing that the Negro is a permanent and increasingly important factor in the development of our National life, the Southern Sociological Congress considers the solution of the problem of race relations as the most delicate and difficult single task for American democracy. We believe that no enduring basis of good-will between the white and colored peoples in this country can be developed except on the fundamental principles of justice, cooperation and race integrity. The obligations of this generation to posterity demand that we exert our utmost endeavor to preserve the purity of our Democratic ideals expressed in the American Constitution as well as the purity of the blood of both races. With this belief the Southern Sociological Congress has worked out a program for the improvement of race relations which we respectfully submit to this Conference of Governors in the earnest hope that this body of distinguished leaders may lead its powerful influence towards making this program effective throughout the Union.

The program is:

First, that the Negro should be liberated from the blighting fear of injustice and mob violence. To this end it is imperatively urgent that lynching be prevented.

1. By the enlistment of Negroes themselves in preventing crimes that provoke mob violence.

2. By prompt trial and speedy execution of persons guilty of heinous crimes.

When a crime has been committed by any member of the Negro race it should immediately be put up to the leaders of that race that it was their duty to trace out and run down the offender and hand him over to the proper authorities to see that justice is done. Then we as the governing race should be willing to see that this offender has a proper and a speedy trial, and that speedy execution shall follow the conviction of the offender. That we should impress upon the people that justice will be done in such cases, and that with the greatest possible speed, so that there will be no motive whatever for mob riots and acts of violence.

3. By legislation that will make it unnecessary for a woman who has been assaulted to appear in court to testify publicly. By this means we will take away from the mass of mankind one of their reasons for the advocating of mob violence by the elimination of the necessity for the unfortunate woman who has been desecrated being exhibited before the public at the trial. I understand that in Virginia the court has the right to take the testimony of the woman in chambers, or in private, in order that she may be saved the further humiliation of appearing before the public gaze.

4. By legislation that will give the Governor authority to dismiss a sheriff for failure to protect a prisoner in his charge.

I believe there is no reason whatever why a sheriff should not be called upon to afford to his prisoner adequate protection until he has duly and formally appeared before the proper tribunal and taken his trial.

Second: That the citizenship rights of the Negro should be safeguarded, particularly,

1. By securing proper traveling accommodations. We have been well assured by the leaders among the Negro people that one of their chief difficulties is that when they have paid the same fare for railway transportation as a white person, they are given secondclass accommodation, and we consider that he ought to be entitled to get exactly what you and I get.

2. By providing better housing conditions and preventing extortionate rents.

GOVERNOR ALLEN—That is not a question for the Governors, and I think it had better not be discussed.

BISHOP BRATTON:

3. By providing adequate educational and recreational facilities.

This race has certainly been neglected in the matter of education. We have been forgetting that the youths of this race have been left to their own devices, to go to school or not to go, as they please. We have been laying up trouble in our various Southern communities. We have not been sufficiently careful of human life; we have not been so careful of human life, particularly little human life, as we have of pig life, calf life and stock life.

Today there are a lot of things which we could do for the benefit of the "Nigger" and which would tend to settle this race problem, if foolish people would not cause the negro to be inflamed from time to time. That has been our trouble right along.

Third: That closer cooperation between white and colored citizens should be promoted (without encouraging any violation of race integrity).

1. By organizing local committees, both white and colored in as many communities as possible for the consideration of inter-racial problems.

2. By the employment of Negro physicians, nurses and policemen as far as practicable in work for sanitation, public health and law enforcement among their own people.

3. By enlisting all agencies possible in fostering justice, good will and kindness in all individual dealings of members of one race with members of the other.

4. By the appointment of a standing commission by the Governor of each State for the purpose of making a careful study of the causes underlying race friction with the view of recommending proper means for their removal.

This is a request on your part to organize, to adopt a program that is going to keep you fully informed, and which is going to make for the best of the two races. I love the Negro—I was born in the South. We know in the South that the

racess are harmonious for the most part until foolish people rouse up the menace of brutality that is in us all. We have got to guard against these mishaps, and the negroes are a wonderfully tractable people; they are wonderfully open to mediation. We want to confer together with the negroes regarding problems of vital interest to both races. We want to study the causes which underly the race difficulties. We want to combat this racial disease, or whatever you wish to call it, in the same way as we would any other disease.

I advocate the appointment of Committees of whites and negroes in each community to get together for the study of the race problem and I would also suggest that a State Committee be appointed by the Governor in each State where there is a large colored population for the purpose of studying the same problem.

I am convinced that if proper measures are taken for the welfare of the nine million negroes in America there would be little occasion for racial troubles such as have recently distressed and disturbed the country.

GOVERNOR SPROUL—As executive of a State where there are a great many colored folks, and having been raised in a community where there are negroes, I am pretty familiar with them, as you are, Mr. Chairman. We know that they are, because I was born and raised just over the line, and we had rather a bad population, although many of the individuals were good.

I appreciate the Bishop's remarks and the program mapped out. It is a matter which has given general concern and as a matter of information, and bearing out what has been said, it has recently come to my knowledge through official sources that there is an organized propaganda amongst the foreign radicals to inflame the negroes and make trouble. This movement is being actually financed and fostered by foreign Bolshevistic elements and negro agitators are being paid to spread the Bolshevik doctrine amongst the people. In Philadelphia meetings have been secretly held at which the most violent doctrines have been preached to the negro people, partly by their own people and partly by the Russians and other foreigners from New York, in which they are advised

and invited to rise and seize by brute force whatever they can—that this is their opportunity, and they were coming into their own, and they could now bring about a change in their condition.

We have now a new law which is enabling us to deal with these fellows. We have started to put them away whilst we are investigating the sources of their activities and what they mean. The question which the Bishop mentions is very pressing.

GOVERNOR NORBECK—The remedy is in the hands of the public—better cooperation and the better enforcement of the law as it exists. The difficulty is fundamental. It is almost useless to attempt to enforce the law in the community in which one of these negroes may live. If a negro is arrested for a crime and the trial takes place in his own community, it is ten chances to one that some of his own friends will be on the jury. In my opinion, it is necessary for the proper enforcement of the law, and to get justice done in the case of crimes by negroes, that the trial should take place in some community other than the one in which the crime was committed and in which the negro lives.

GOVERNOR BICKETT—As a matter of information I may say that we have a law in North Carolina which provides that a new place of trial can be obtained on the motion of the accused, and even on his own affidavit; and any judge may of his own volition remove any case to another district if he considers that the ends of justice can be served better in another county than the one in which the crime was committed. Here is an incident that happened in my state: There was a boy eighteen years old who was accused of an unmentionable crime and there was a great disturbance there. It was one of our leading cities with 10,000 negroes working in the tobacco factories. Word came that the mob was taking charge of the city. I rushed in there three sections of military forces and I had a tank squad there, and as soon as the mob saw the tank squad they all dispersed, but there were four white men killed in protecting that prisoner and not a negro was hurt. The prisoner was saved and in-

side of three weeks he was brought up and acquitted, the evidence being conclusive that he had no connection whatever with the crime, and inside of three weeks, as I have said he walked the streets a free man—as free from any danger as he is now. We indicted the leaders of the mob and removed the case to another county and they were tried before white men and we convicted fifteen of them and they were sent to the penitentiary of the State for terms ranging from six months to five years.

THE CHAIRMAN—I feel that the Conference in the few moments we have left would like to hear from the pioneers of this gathering, and we shall be glad to hear from Ex-Governor Carey of Wyoming.

EX-GOVERNOR CAREY—It has been somewhat of a surprise to me to listen to the many matters of vital importance which have been discussed here this morning. This emphasizes in my opinion the need of this assembly and the continuance of it.

The question of schools is a most important one. I, for one, appreciate my schooling and the teacher who instructed me had never passed an examination, had never been required to do so, and did not have an ordinary education. At the age of seventeen I thought I might as well earn my own living and I went to the school trustees and asked for an appointment as a teacher and the trustees did not examine me—they did not ask me any questions: they hired me and paid me the sum of twenty dollars a month to teach a school that had fifteen scholars in it. I was seventeen and I had one young lady scholar 23 years old, so you can imagine how embarrassed I was when I found that out. In the neighboring state they introduced in the legislature provisions for the first free school in the country. It succeeded in passing through the Legislature but the next Legislature came very near repealing it. I am glad indeed to see that the western states are now doing all they can to aid education. They now have well-examined teachers, and when I went to the school board some years ago, the complaint was they were hiring all the teachers from Iowa and the reason was that

they were paying small salaries there and they were migrating to our country.

On the question of good roads, I do not agree with Senator Allen that we should ask the Federal Government to render us any assistance in this matter. We are going crazy, especially since the close of the late war. I believe in State individuality. I believe the State should do this work. We did not have any public debt in Wyoming until the Federal Government forced us into it by saying "If you will appropriate so much money we will appropriate so much to your State, towards your expenditures." They did not give it to us—we are paying our part of it back. When you let the State take care of its own affairs they will make very much better progress.

I have great admiration for Iowa. I married a woman from Iowa; but I would like to ask Governor Harding what they have done with the swamp lands; what did they do with the lands that were given to them? Disposed of them, I suppose, for one dollar and a quarter per acre the same as Washington disposed of her lands. I want to say that in Wyoming we have disposed of none of our lands for less than ten dollars an acre. We take care of what we have. I don't agree in going into debt for roads or anything else. Everyone likes to spend money that they did not earn themselves. It is easy to borrow, but it is not so easy when the time for repayment comes.

I am heartily in favor of these Conferences. I feel when you come here you get (as I used to get) inspiration from Governors of other States.

We have three great Acts: The Workman's Compensation Act; the Insurance Act; and the Farm Loan act. All these acts emanated from the Governor's Conference, and will alone justify the existence of the Conference.

MR SAVAGE—(Representing the Governor of Washington)—If the remarks of Governor Carey are to be reported, I want to correct him about the price obtained for land in Washington. We have received \$22 an acre for every acre which has been sold.

THE CHAIRMAN—We will now hear from Ex-Governor Spry (Utah).

EX-GOVERNOR SPRY—I don't know that I ought to detain you, because I understand you have an engagement to luncheon at one o'clock and luncheons spoil if you are not prompt.

I appreciate your desire to have me address a few words to you, and I do want sincerely to endorse the remarks of Ex-Governor Carey as to the good these Conferences have done to the men who have attended them. I only regret there are not more here today.

Personally, I think some of the biggest things which have been done in the State of Utah and other western states have been done as the result of the participation of the Governors of those states in these Conferences. As a matter of fact, the good roads movement started in the Governors' Conference, when the Eastern Governors used to exchange ideas with us as to the material being used on the roads. We thought at the time we were getting most excellent road if we used macadam. This was pointed out to us to be not so, and now the subject of good roads, and better roads, has become widespread throughout the United States.

I am very strongly in sympathy with the Governor of New Mexico in the endeavors which he is making to present before the Congress and Senators the necessity for treating fairly and justly the western states in the matter of the public domain lands. I think they should be treated in the same manner as the Eastern states and should be accorded the same privileges in the disposal of the unappropriated and unreserved lands within their states. It may interest you to know that there is probably seventy-three per cent of the entire area of this state which is not subject to any taxation whatever, and the small remaining percentage is compelled to carry the entire burden. They do work on the public domain and build roads through the public domain and receive absolutely nothing for their services. This is only one of the things that Governor Larrazola desires to have remedied. There are a hundred other things in connection with that public domain question which must be considered in connec-

tion with it. These things are known in the West today and we want to convert the East to our way of thinking. There are very many things we can do in pushing forward the problem of the handling of the public domains and to do this western Governors should cooperate along these lines.

The following resolutions, prepared by the Resolution Committee, were read to the Conference and on the motion of Governor Shoup, seconded by Governor Allen, each of such resolutions were duly passed:

Resolved, that we, the members of the Governors' Conference, hereby extend to Governor Bamberger and Mrs. Bamberger, and to the hospitable people of the State of Utah, heartfelt expressions of gratitude and appreciation for the numerous, unusual and kindly courtesies and favors extended to us during the Conference of Governors held in the beautiful Capital City of their state, August 18th to 21st, 1919. We earnestly assure our worthy hosts that our visit to Utah and the wonderful entertainments received at their hands shall ever remain a fond recollection.

Resolved, that we, the members of the Governors' Conference, do hereby express and convey to Mayor W. Mont Ferry and the other city officials, and to the people of Salt Lake City, our heartfelt thanks for the favors so graciously and gracefully bestowed upon us during the Conference of Governors held in their beautiful and enterprising city, August 18th to 21st, 1919.

Resolved, that we, the members of the Governors' Conference, do hereby convey to Mayor T. S. Browning, and other city officials of the city of Ogden, expressions of appreciation and thanks for the most interesting and pleasant trip through beautiful Ogden Canyon and the most bounteous banquet at The Hermitage, on the evening of August 20th, 1919.

Resolved, that we, the members of the Governors' Conference, hereby convey to the Rotary Club of Salt Lake City our expressions of cordial appreciation for the courtesies extended to us during our most pleasant visit to and stay in Salt Lake City.

Resolved, that we, the members of the Governors' Conference, hereby express our appreciation to the representatives of the press for the courteous and efficient manner in which they have presented the proceedings of the Conference.

EXECUTIVE SESSION

The Conference resolved itself into Executive session immediately following the close of Wednesday's formal session.

The following Governors were unanimously elected members of the Executive Committee.

Governor Wm. C. Sproul, Pa.

Governor Simon Bamberger, Utah.

Governor J. B. A. Robertson, Okla.

Governor John G. Townsend, Jr., of Delaware was unanimously elected Treasurer.

Miles C. Riley, Madison, Wis., was unanimously re-elected secretary at a salary of \$2,500 per year.

The selection of the place and fixing of the time for the next Conference was left to the Executive Committee.

The Governors voted to assess each state \$150 to defray the expenses of the Governors' Conference for the year 1920.

The following financial report was reported in and approved by the auditing committee, and was approved unanimously by the Conference:

Newark, N. J., August 2, 1919.

JOHN FRANKLIN FORT, Treasurer,

In account with the Governors' Conference.

RECEIPTS.

1918

Dec.	16	Balance in the hands of the Treasurer, as per report of December 16, 1918, to the Governors' Conference at Annapolis, Maryland.....	\$933 50
		Since received from M. C. Riley, Secretary, the following assessments from States:	

1918

Dec.	21	Wyoming.....	\$150 .00
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1919

Jan.	2	Maryland.....	150 .00
"	"	Virginia.....	150 .00
"	"	Illinois.....	150 .00

Jan.	10	Idaho.....	\$150.00	
"	"	Arizona.....	150.00	
"	13	Connecticut.....	150.00	
"	"	Massachusetts.....	150.00	
"	"	North Dakota.....	150.00	
"	"	South Carolina.....	150.00	
"	"	Nevada.....	150.00	
"	15	Ohio.....	150.00	
"	"	Louisiana.....	150.00	
"	23	Utah.....	150.00	
"	"	West Virginia.....	150.00	
Feb.	3	Montana.....	150.00	
"	13	Minnesota.....	150.00	
"	"	Wisconsin.....	150.00	
"	"	New Hampshire.....	150.00	
"	"	Iowa.....	150.00	
Mar.	31	Oklahoma.....	150.00	
June	5	Colorado.....	150.00	
July	14	Missouri.....	150.00	\$3,450.00
		Total receipts from States.....		\$4,383.50
Aug.	1	Interest on bank balance from October, 1918, to June, 1919, inclusive....	\$31.47	31.47
		Total receipts, including interest,-		\$4,414.97

DISBURSEMENTS

1918

Dec.	23	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, expenses and salary for November and December, 1918.....	\$399.93
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1919

Jan.	12	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, expenses at Annapolis conference.....	128.17
Voucher 2			
Feb.	13	Check to Leonard Weinberg, typewritten transcripts of proceedings of Conference at Annapolis, Md.....	220.50
Voucher 3			
Mar.	3	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, salary for January and February, 1919, stationery and expenses.....	299.49
Voucher 4			
Apr.	17	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, salary, March, 1919, and expenses trip to Washington March 1-8, 1919.....	242.73
Voucher 5			
May	27	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, salary for April, 1919, and expenses, telegraph, stamps, etc.....	159.74
Voucher 6			

July	8	Check to M. C. Riley, Secretary, for bill approved by Executive Committee, salary for May and June, 1919, and expenses, stamps, telegraph.	
Voucher	7	etc.....	259.98
		Total Disbursements,.....	\$1,710 54

SUMMARY

Total Receipts to date and Balance.....	\$4,414 97
Total Disbursements to date.....	1,710 54
Balance in hands of Treasurer, August 2, 1919.....	\$2,704 43

Respectfully submitted,

JOHN FRANKLIN FORT, *Treasurer.*

Dated August 2, 1919.

The foregoing account audited and found correct.

R. A. COOPER, Governor of S. C.
 LYNN J. FRAZIER, Governor of N. D.
 W. L. HARDING, Governor of Iowa.

There being no further business to come before the Executive session, it was thereupon dissolved.

THURSDAY'S SESSION, AUGUST 21, 1919.

GOVERNOR ALLEN—I have very great pleasure in introducing to you, as the Chairman of the morning, former Governor Spry of Utah.

GOVERNOR SPRY—I am sure it is a very great pleasure to me to have been chosen for the honor of presiding over your meeting this morning, and I can assure you I appreciate the honor very much. Now I presume, unless there is any further pressing business to discuss, that it will be well to at once proceed with the regular program which I see is an address on the "Expansion of the National Guard System as the Basis of National Defense."

GOVERNOR BAMBERGER—Mr. Chariman: President Grant, of the Mormon Church, has returned from California, for the express purpose, as I understand, of meeting the Governors who are here in Conference, and since we were otherwise engaged yesterday, and could not make an appointment suitable to all concerned, I have taken the opportunity of informing the President that I believe the Governors would make it convenient to call at the Mormon Church headquarters at twelve o'clock today to be shown through the building by President Grant, and I would like the Governors to express their approval or disapproval of my action. I may also say that if it meets with your approval I have arranged for automobiles to be here promptly at twelve o'clock for the purpose of conveying you to the Mormon Church headquarters.

GOVERNOR SPRY—I presume there will not be the slightest objection on the part of the Governors to paying the visit; in fact I am sure they will be very pleased indeed to have an opportunity of viewing the beautiful buildings, and while discussing this matter aside from the regular order of business, may I offer this suggestion, particularly to Governor Bamberger; a number of the Governors have expressed a desire to see something of the city. They say you are going to show them the State, but they also want to see the city, and if,

after the call on President Grant, automobiles can be provided for the Governors and the ladies accompanying them, for a short run through the city, so as to get back in ample time to take the train to Bingham, I am sure the Governors would appreciate it very much. They could visit the University, Liberty Park and the other principal parks and buildings in the city.

GOVERNOR ALLEN—I wish to offer a suggestion, if agreeable to Governor Bamberger. Whilst we appreciate the invitation and will gladly avail ourselves of it, yet we are about to discuss a matter which will shortly come before Congress. There is no more important matter before the people, than the subject of the day, and after we have visited the Temple, and taken a drive round the city, would it not be wise to come back here and resume our discussion, waiving the trip to Bingham and the copper mines.

GOVERNOR BAMBERGER—We shall be together in the Yellowstone for two days at least. Some of the Governors will be leaving after two days, but we shall have that time together anyway, and we shall be reaching the stopping places very early in the evening of each day, and I suggest that we shall have plenty of opportunity while there to discuss anything we think fit.

GOVERNOR ALLEN—Are most of the Governors going to the Park?

GOVERNOR BAMBERGER—Yes.

CHAIRMAN SPRY—May we ask Mr. Riley, the secretary, or some other gentleman, to make the necessary arrangements, so that there will be no delay in obtaining automobiles at noon and for the drive around the city.

GOVERNOR BAMBERGER—I have made all the arrangements and you may rely on the automobiles being here at twelve o'clock.

GOVERNOR ALLEN—Mr. Riley has the memorial which I proposed yesterday for signature by the Governors, and also the memorial touching the federal lands, and I wondered if

it would not be better to have them read, and then authorize the secretary to attach the names of the Governors present, to the memorials.

THE CHAIRMAN—We can attach our own signature.

THE CHAIRMAN—I think the Secretary should read the memorials.

The following Memorials were then read by Secretary Riley:

MEMORIAL NO. 1.

First: “Whereas, the government records show that the public lands states, to-wit, Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Wisconsin, Michigan, Minnesota, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, but more particularly the States of Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Idaho, Washington, Oregon, Nevada and California, contain over 222,000,000 acres of unreserved, unappropriated public lands in addition to over 150,000,000 acres of reserved public lands, making a total of more than 372,000,000 acres of land which are not taxed; and

“Whereas, the reservation and exemption from taxation of such a large body of land, by federal government, cripples the States wherein they are respectively situated, in their efforts, looking to the progressive development of said States, principally the States situated in the wholly arid belt, being the last eleven States above mentioned, which are now facing the most critical and important reconstruction and development era in their history; and believing that all consideration of justice demand that these states should own the unreserved and unappropriated public lands, within their respective boundaries;

“Now, therefore, we the undersigned Governors, respectfully ask the Congress of the United States to enact such legislation as will result in the transfer of the ownership and possession without any mineral or any other reservations except such, if any, as the Congress may deem proper to provide against possible misuse or misappropriation, of all the

unreserved and unappropriated public lands of the United States, to the States wherein such lands are respectively situated, to the end that such States may utilize said lands in the internal improvement and development of said States; that these States may have a permanent fund, other than that derived from direct taxation, which, even now, is quite heavy and burdensome on the people, upon which they may draw for the support and maintenance of public schools, state institutions of learning, and highways, and for the acquisition by the States of good farming lands, fit for such of our returned soldiers as may desire to make their homes therein, with a reasonable expectation of finding a comfortable living, and for such other uses as may contribute to the upbuilding of said States."

MEMORIAL NO. 2

"Whereas the appropriation of federal money for aid in highway construction has resulted in a valuable impetus in the construction of good roads in the various states; and

"Whereas this entire appropriation has been allotted in many of the states to construction already under way;

"Therefore we the undersigned Governors of the States of The Union, in attendance at the Conference of Governors, at Salt Lake City, Utah, August 18th-21st, 1919, hereby express and convey to Congress, our appreciation of the value of this program as an aid to highway construction in the States, and urge Congress to make added appropriations to be used in co-operation with State aid.

"It is our judgment that an additional appropriation of \$400,000,000 should be made by Congress, to be allotted to the States, with the understanding that each of the States to which a portion thereof is allotted shall expend a sum for highway construction equal to that allotted to it, and that this appropriation of \$400,000,000 should be made available for use during the next ensuing five years.

"It is our further judgment that where, because of sparse population, or other difficulties, highway construction under this program becomes a burden to the state, authority should be given to expend a larger sum of federal money than state

money, and that the entire cost of highways constructed through government owned lands, should be paid out of the appropriation by Congress."

THE CHAIRMAN—I presume there are no objections to the wording of the memorials.

GOVERNOR SPROUL—May I ask Governor Larrazolo whether there are still public lands unappropriated in Colorado and Mississippi?

GOVERNOR LARRAZOLA—The grand total of unreserved public lands amounts to 220,000,000, all of which practically lie in the eleven arid states, but I thought as we were asking this, it was fairer to include all of the States.

GOVERNOR FRAZER—That memorial does not include the coal lying under the surface of homesteads?

GOVERNOR LARRAZOLO—It is intended to carry with it all mines and minerals under unreserved and unappropriated lands, but anything heretofore reserved by the Government will not be included.

THE CHAIRMAN—Those known to be mineral lands you leave with the Government?

GOVERNOR LARRAZOLO—The idea is that if these lands should come to the State they should carry with them the resources which are there.

CHAIRMAN—But anything surveyed prior to such time as Congress may cede these lands to the different states will not be included?

GOVERNOR LARRAZOLO—Anything which was granted previous to this would not be included in my memorial.

GOVERNOR FRAZER—I would like to see the mineral rights included in this memorial. We have, in North Dakota, a lot of coal rights reserved to the Government.

CHAIRMAN—On your surveyed lands?

GOVERNOR FRAZER—Yes.

GOVERNOR LARRAZOLO—Even these rights which are reserved on lands unappropriated are included in this memorial, and we ask that these lands with the minerals be ceded to the States. Of course the Government can withdraw a whole lot of these lands before ceding, and claim that they do not come within the meaning of the memorial, but I hardly believe that it would be done. It is a matter which is altogether in the hands of Congress to so frame an act as to give us what we want, or refuse to give it to us.

CHAIRMAN—We will now proceed with the regular business of the day, and I will call upon Governor Sproul of Pennsylvania.

NOTES ON THE REORGANIZATION OF THE NATIONAL GUARDS

GOVERNOR WILLIAM C. SPROUL (Pennsylvania). Mr. Chairman and Gentlemen—When the commoners of England compelled the nobility to give them certain rights, and when they in turn agreed to support and defend the country, the National Guard was born. After the settlement of America the settlers in their struggles with the Indians found it necessary to form military organizations for the protection of their frontiers and naturally adopted the system they had learned in their native country, England. Settlers from other countries saw the value of this system and also adopted it, so that in the early history of our country we find volunteer militia organizations throughout all the colonies—not a large standing army—not a paid soldiery, but a citizen soldiery following its daily avocation and ready to spring to arms at a moment's notice, the Minute Men of the Revolution.

While opponents of the National Guard system have tried to make it appear that Washington was opposed to the militia or National Guard system, history proves that he was not. It is true that he spoke quite strongly against the unorganized levies of militia, but the major portion of Washington's army was made up of volunteer militiamen who became veterans through the training they received in actual conflict and the regular army per se was only a small portion of Washington's force.

It has always been an axiom of policy in this country that "A well organized militia, properly trained, is the backbone of the protection of the nation." The United States, as a democracy, has always been opposed to the maintenance of a large standing army and the support of a large professional class of soldiers. Ever since the states banded into a union there has been a conflict of opinion between the professional soldier and the volunteer, and as far back as the Revolutionary period the professional soldier has decried the volunteer or militiaman, yet history shows us that every war in which this country has been engaged has been won and won primarily by the volunteer soldiers, led in most cases by volunteer officers who received the major portion of their instruction in the militia and graduated in the hard school of war experience. Probably the only real exception to the above statement is the Mexican War in which the major portion of the officers who led troops were professional soldiers.

Prior to the Civil War the only organizations of volunteer or militia troops were the old "Training Band" which met in many cases semi-annually, in some cases annually, under the militia law of the country were enrolled as required by law, and had a short period of training, sometimes only a day or two, in other cases a week. The exceptions to this were independent military organizations generally in our larger cities or in thickly settled rural communities where the military spirit ran high. In Pennsylvania we had, particularly through the eastern part of the state and in the extreme western district, a number of independent military companies that had acquired a high state of proficiency in training, as it was in those days. These organizations supplied their own equipment, uniforms, rifles, in fact everything they had, and it was only their individual military spirit which made them efficient. It was five of these organizations from the State of Pennsylvania and a short time later the Sixth regiment from Massachusetts, which offered themselves ready for duty to the Federal Government at the outbreak of the War between the States, and which marched to Washington and protected that city from invasion. These

five companies from Pennsylvania, all independent military organizations, were recognized by Congress, as "The First Defenders," being the first troops, armed and equipped, to cross the Mason and Dixon Line in defense of Washington.

During the Civil War, the troops both in the North to a large extent, and in the South almost in their entirety, were volunteers. The regular army in the North was only a small body of men and was soon lost in the large organizations of troops in the Federal Armies. Outside of graduates of West Point, who led troops in the South, there were no regular soldiers in the Southern Army, all organizations being volunteers or militia. All these organizations became veteran soldiers of the highest type through their actual field training in war, and at the close of the Civil War both in the North and the South we had large numbers of thoroughly trained soldiers.

After the ending of the Civil War, throughout the Northern states, these trained soldiers, desirous of continuing their training, organized themselves into volunteer military companies under the militia laws of the states and country. In Pennsylvania these organizations were very numerous, some counties having as high as three to four regiments of ten companies each. As time wore on enthusiasm in many cases lessened and organizations dropped out until a nucleus of the faithful enthusiastic soldiers remaining formed what is now our National Guard. At first the organization was rather loose and individual companies formed the major portion of the troops. Gradually, however, these were assembled into regiments and regiments into brigades until a compact military organization was evolved.

When this country found it necessary to enter the war with Spain, it was these National Guard organizations that formed the major portion of the army of the United States. Pennsylvania sent one regiment complete to the Philippines (the 10th), and sent two regiments (the 4th and 16th) to Porto Rico, and had fifteen regiments in service during the Spanish-American War, besides three batteries of artillery and three troops of cavalry.

After the close of the Spanish-American War, these troops returned to the State. The men had been discharged to enter the volunteer army, but all the officers had been given leave of absence for the period of the war, consequently upon their return to their state after the close of the Spanish-American War, the state had a skeleton formation for its new National Guard. The officers immediately proceeded to recruit their organizations and the state again had a strong National Guard.

During the period of time immediately following the Spanish-American War, there was considerable unrest in the labor situation in the State of Pennsylvania due to a large population of foreigners, particularly in the coal mining industry, and there were a number of industrial disturbances which required the service of the National Guard for the protection of lives and property. This was before the organization of our present very efficient State Constabulary.

It is a matter of record that in all the various times that the National Guard of Pennsylvania was called into active service during the industrial unrest that in all cases mob violence was quickly and efficiently suppressed without injury to the people, that property was protected, and that as soon as the soldiers appeared on the scene all rioting practically ceased. The single fatality recorded was when a sentry in Shenandoah in 1912, shot and killed a man who was attempting to dynamite a house, the home of one of the superintendents of mines.

As the National Guard grew stronger and more efficient, unfortunately a feeling of opposition to it arose among a certain class of Regular Army men who felt probably that the National Guard was usurping certain of their prerogatives, and who feared a lessening of the regular establishment due to the increasing efficiency of the National Guard. The broad-minded officers of the army, however, have always realized the value of the National Guard, and have aided it both by instruction and advice and have always maintained the value of the Guard.

An attempt was made, following the Spanish-American War, to recognize the National Guard more fully through an

Act of Congress, as a portion of the first line of defense of our country, and in 1903 an act was passed by Congress with a view of making the National Guard a part of the first line of defense. The constitutional difficulties and the opposition of certain officers of the regular army, prevented a complete amalgamation of the two organizations until 1916, when, through the National Defense Act the National Guard of the country became a portion, recognized as such by Congress, of the first line of defense of our country.

During these controversies preceding the recognition of the National Guard, statements were made before Congress by officers of the Regular Army, at hearings on various bills, that the National Guard had very little value as a military organization, that few of its members would respond to a call from the President for active service, and even that those who did respond would in all probability not serve outside the United States. At the same time those same officers stated that they had supplies necessary to fit out a regular army, and also the Guard for service, or that arrangements were made by which such supplies could be readily procured when required.

Texas was invaded, war with Mexico threatened, and on July 10th, 1916, President Wilson, under the National Defense Act, ordered to Texas a large proportion of the Regular Army and the National Guard of the several states. Notwithstanding the predictions made by the opponents of the National Guard system, the National Guard demonstrated in its answer to this call its value to the country. At the outbreak of the Mexican Border disturbance the National Guard had a paper strength estimated at 130,000 men, and by July 22d, it had placed on the Mexican Border 92,000 men, and had in camps throughout the states 32,000 more, a total of 124,000. In a month and a half after the call it had 110,000 men on the Mexican border.

The training received by the National Guard on the Mexican Border was of inestimable value in the great World War which followed almost immediately, and the National Guard by its service in Europe has demonstrated beyond all doubt its value as the greatest military asset of our country. In-

deed some of the National Guard Divisions, among which I am proud to include our own Keystone division, the 28th, or Iron Division as it is called, contributed some of the most glorious pages to our part of the history of the great conflict.

I cannot believe that our people will ever authorize or maintain an enormous standing army, but will and always must depend on their citizen soldiers for defense. A large standing army makes professional soldiers out of large numbers of our best young men, takes them away from their vocations, removes them from the industrial army, lessens production, and in many cases places young men among men only, just at the time when the average young man makes a home for himself and becomes a producer and a family man.

The National Guard, while it does not give a man the maximum amount of training that the Regular Army does, gives to the average man sufficient military training to make him an available soldier, and at the same time enables him to continue his daily occupation, does not remove him from the army of producers, and leaves him to follow his vocation and to settle on a life's work and future career.

As evidence of our faith we have started actively to reorganize and recruit our National Guard of Pennsylvania. You may recall that our Guard was taken over as a unit, and after the long vigil on the Rio Grande, was sent to Camp Hancock, at Augusta, Georgia, and became the 28th Division of the Army, and in France, as the Iron Division, it saw an activity of service comparable only to the three first regular army divisions. To our eternal pride in Pennsylvania our Guardsmen won a place among the very foremost of our National defenders, and justified gloriously in the time of peril, all the patience and trouble and expense which the Commonwealth had expended upon the organization for the past half century. The traditions of the National Guard, and of the Iron Division, belong to the people of the state, and we do not propose to lose these traditions nor the spirit which made them possible, although we have had to go down to Washington with a club to keep the appreciative staff of the army from appropriation of the name, number and even the red Keystone insignia of our division for future use in the

army establishment. Nobody in Pennsylvania even among the critics of the Guard, nor among the enemies of the Republic, who are still left with us, calls that Keystone outfit "a bunch of tin-soldiers" any more

Under the National Defense Act as at present in force, we are authorized to re-establish our Guard with Federal aid on a basis of two hundred men for each member of Congress to which the state is entitled, or in our case, with our thirty-eight members, Pennsylvania's quota will be 7,600 men. Under this estimate we have already made a skeleton organization with four regiments of infantry, one regiment of artillery, one squadron of cavalry, one battalion signal corps, and trains, including four field hospitals and four ambulance corps.

This organization is to be increased fifty per cent annually until the full quota of eight hundred men for each member of Congress is reached, which would give us thirty thousand, four hundred men in Pennsylvania. We have worked out a plan to organize, as soon as we can, a full division, under the 1917 table of organization, with two brigades of infantry, one regiment of cavalry, one regiment of engineers, one battalion of signal corps with the necessary trains. This will, we believe, be accomplished before the middle of next year. We hope that the War Department may be instructed by Congress to furnish all the equipment for this very substantial force by that time.

The War Department at present requires one hundred men per company. We trust Congress may permit of the reduction of this number to sixty or sixty-five, which would permit of the organization of companies in the smaller communities, and will give us an opportunity of training more officers, which was proven to be a great need during the late war.

We find a desire among the more serious minded of our young men to rejoin the state's military organization—some of those who do not think so deeply profess to have been "fed-up" with military experience. This latter is, happily not true generally among those who were in the Keystone Division, and the officers in this organization were most pop-

ular among the rank and file. We have called into service the best of these officers and are ready to start recruiting as soon as a few minor, but long delayed, details are settled at Washington.

Pennsylvania furnished no fewer than 326,000 men to the various branches of the Federal Military service during the past two years. Out of this vast army of trained veterans, from our well organized Reserve Militia, and from among the young men coming on who desire to share in the glories of the splendid 28th, we expect to select a sufficient number to fill out our new organization. And we are happy in the prospect of an early mobilization of a force which will give us assurance of peace and protection within the state, and effective assistance in any national need beyond our borders.

GOVERNOR ALLEN—Gentlemen of the Conference: I have listened with more than usual interest to the able paper which has been read by Governor Sproul. I believe the time has arrived when the American people through their representatives in Congress should take an intelligent interest in the organization of the national defense. For a good many years we have been in the habit of accepting blindly and obediently the advice of the army staff as to what form of military defense the United States should employ. When any man has tried to raise his voice against the supposed wisdom of the army's suggestions, he has been denounced as one desiring to mix politics in the army, and this in spite of the fact that within the army there is generally teeming the most obnoxious brand of politics.

In the recent war we had an excellent exhibition of the possibilities of the National Guard, and an opportunity also to form conclusions as to the greater usefulness this arm of the service could be given in this country, if it should receive the co-operation it deserves, instead of the opposition it has suffered from the regular army. Every Governor here is aware of the magnificent contribution of National Guard divisions at the front. We also remember that when the war opened these divisions surrendered their distinctive identities and became mere numbers in the general army organization.

The entire tendency was to ignore the individuality of the National Guard units.

The National Guard situation was affected from the beginning by the old-time antipathy of the regular army to the National Guard. It now appears that a systematic effort was made to retire from the service upon the slightest provocation the National Guard officers who had made a good record, and who might possibly gain renown out of their army service.

The nation accepted the situation without complaint, as they accepted all of the situations during the war, but we have now come to a point where it is perfectly proper that these matters should be discussed. Governor Sproul has pointed out very clearly the reasons why the National Guard organization should be strengthened and new provisions made for its continuation as an effective arm of the national defense. I desire to add some observations touching the general theme of the army.

We are now at a point where the subject of reorganization is before Congress, and I believe it is wise for us to consider the entire subject, not only of the National Guard, but of the standing army. I believe it is time for the people at large to take an interest in the possible reorganization of West Point, which stands out as a peculiarly un-American institution. It is the only college in the land to which men are sent for a fixed purpose, where no consideration whatever is given as to whether the student is fit for the purpose for which he enters the institution. In every training school in civilian life the student is given the opportunity to acquire during the course of his training, a realization as to whether he is fit for the profession for which he is preparing. At West Point a boy is selected through political considerations, and sent there with the purpose of training him as a professional soldier. No consideration whatever is given as to whether the boy is fitted by taste or mental attitude for this career. He may be conspicuously unfit, as is the case with many of them, but he passes through the West Point mill and comes out to spend the rest of his life in the profession to which he was dedicated early in his youth. The system has no elasticity, no provi-

sion for weeding out unfit men, and no provision for choosing men according to their native talents. The result is that a very large per cent of the West Point product who are trained in the army school should never have adventured upon a military career.

When the war opened, the country heard with approval that this was to be a scientific war so far as America was concerned. The entire management was to be turned over to the regular organization. The National Guard units were to lose thier identity as such and become merged into a general army. West Point was to have a chance to put into practice everything it knew about war; the country was to contribute sufficient money and war materials with which to equip a huge army and the raw man power with which to provide reserve officers and soldiers.

Everything worked out admirably on paper, and West Point stood forward to take up its load. The country had ample confidence, ample money and ample raw manpower. And the country exhibited another trait at that hour, which America exhibits only when meeting a real crisis, a determination to see the game through without complaint or criticism while the stress was on. The people contributed willingly not only their sons, but their wealth. They adopted a patriotic and unquestioning attitude; they submitted to a censorship as drastic, if not as intelligent, as that which was ever exercised in Germany--they did it all gladly for the cause. They quit talking, but kept thinking, and praying and watching the one great contribution we made--the raw man-power, and they kept hoping the best of West Point.

Now the war is over. Something more than a million men have returned from overseas, and out of the tongues that are loosed America is getting a very adequate and faithful realization of how things went.

One contribution made by America stood out. No man may cast a reflection upon it. The European world has appraised it, acclaimed it, decorated it. That contribution was American man-power.

For many years we had been calmed by the assurance that, while we didn't have much of an army, we were long on a

trained staff; that all we needed was to distribute the West Point and staff college wisdom and training throughout a civilian soldiery. We expected the professionally trained soldier to create a scientific army and a scientifically trained supply staff to equip it. All the country had to do was to pay the bills and wait.

Our first disillusionment was in the creative genius of the staff which was to provide us with transportation, ordnance, material and airplanes. The officers who had charge of the supply end refused to be hurried. They had their own notions about machine guns, and they seemed to proceed upon the theory that the battle would wait until we had made a special gun, more suitable to American use than any being used in the world.

We spent some millions, and, what was more valuable than money at the hour, some valuable months, carrying on debates and experiments in the very face of a crowded emergency which called for guns. Finally we fought at Chateau Thierry, at St. Mihiel and in the Argonne Forest with machine guns purchased from our war-burdened allies. We wanted an airplane all our own, and the scientific gentlemen who were running the war for us locked up a room full of airplane experts and bade them produce a wonder. They expended six hundred million dollars before making a plane. They wasted months of time, and the most mechanical nation in the world—the nation that had been pioneer in the science of flying—sent its troops into their crucial hour in the Argonne Forest unprotected from the air.

Everything the supply staff touched seemed to suffer delay. We did not do so well producing war material for ourselves under the stress as we had done for our allies under the ordinary routine of commercial production. As a result, after a year and a half of hurrying up, backed with uncounted millions in money, representing a land that possessed fabulous mechanical resources, the American army took charge of its sector in September, 1918, with less material of war supplied by our own country than the troops of Indu-China would have had if they had occupied a place on that line.

Early in September General Pershing, in command of the

American Forces, sent messages to Washington begging for more war material, and giving a list of the shortages in animal transportation, motorized transportation and other war materials. He was obliged to go into the battle of the Argonne Forest September 26th with these shortages, and suffered ghastly losses because he was obliged to send raw manpower against the superb mechanical equipment of the German army.

On October 13th he again cabled the War Department that its "failure to fill tonnage allotments resulted in the improper equipment of regiments and the uneconomical diversion of vehicles urgently needed for other purposes." He called attention to the fact that only one hundred and fifty cars for reconnaissance and staff observation purposes arrived during the months of September and October. He also called attention to the lack of repair trucks and the general motor transport situation, and said:

"On account of the non-arrival of motor transports and animals as heretofore requested, our situation in respect to animal transport is becoming increasingly and alarmingly serious. Unless supplies are furnished when cabled for, our armies will cease to operate."

For two weeks before this message the Americans had been going forward through the gloomy Argonne Forest, assaulting without adequate war material the Hindenburg Line. They couldn't wait. Pershing had taken over that part of the line. There was nothing to do except to oppose the thoroughly equipped and mechanically supported German line with our partially equipped army.

It has taken some time to make the people at home realize the handicap under which the American army fought, because the censorship had created a deliberate lie about the real situation. The impression had been studiously built up that we had over 7,000 airplanes in Europe, that there was American ordnance in plenty, that there was ample transportation, and that the material equipment of the army left nothing to be desired. This studied misrepresentation was the most audacious chapter in the history of the war. It reflected real genius. It transcended ordinary lying and reached

into the realm of constructive literary talent. Now when the situation is exposed, the defenders of a policy of misrepresentation say, "Well, we won the war, didn't we?" Some of them add that it was necessary to carry on the false pretenses to save the morale of the people at home. A man who acted as a corps commander in France has made that silly statement to me within the last ten days.

The production and supply situation fell down in Washington for the same reason that army efficiency fell down elsewhere. Many of the old army men could not expand. They became hopelessly entangled in their own red-tape. Their system precluded the possibility of speed and they did not have the elasticity to meet emergencies. In fact, they never had any emergencies to meet before. A professional army school has no emergencies—everything runs like clock-work.

There were many magnificent officers who made great progress, but the unanimity with which the returned civilian soldiers are expressing their discontent, the similar manner in which they assail the system under which they fought in France, indicates that something more than the natural reaction against army life of soldiers returning from an overseas campaign must be considered as responsible for their attitude.

I have just received from a private soldier who returned only a week ago from Germany a letter in which he says, "I am in sympathy with any effort to improve the army system. There is too much 'for officers only' in it. In the place where there should be democracy we find only officers and enlisted men. The enlisted man gives up everything and gets nothing." This is a crude declaration, but it voices the sentiment I have heard from many men. No one of them with whom I have talked wants to be an enlisted man again.

"We have been 'West-Pointed' to death" said a tall sergeant to me at Camp Upton. He was an intelligent, young giant with a distinguished Service Medal pinned to his jacket and back in his Western home he has a diploma from a college of liberal arts. He went to war with all the cheerfulness that belongs to youth confronting danger. He made

a good soldier, but came back hating the American army system.

"They forgot we were men and tried to make mere automatons of us," he said bitterly.

This reaction is so general among the men that it can be accounted for only upon the ground that the professional army officer failed to realize that he was dealing with a different class of Americans than those who make up the regular army in days of peace. The army which went to France in National Guard and National Army units was a cross-section of whatever community the unit came from. In the ranks were men who were socially and mentally the equal of their superior officers. They all realized that discipline was necessary, but they also realized that the system of military caste which characterized the West Point attitude was not American. With very accurate discernment they called it a "Prussian" military attitude.

The gulf between the men and the officers under this system was as wide as the gulf between the professional military man and the civilian had been in days of peace. When I talked to reserve officers, their reflections were unanimous to the effect that the system of West Point has produced rigidity, narrowness and a cheap aristocracy in officers. It created out of a democratic American lad a stiff sort of snob, who lost his initiative and suffered that peculiar mental debility which results from training only one set of faculties to look at life altogether from one single viewpoint.

An intelligent observation by a Lieutenant Colonel of Engineers from civil life ran something like this:

"The officers from civil life caught on rapidly because they knew their need of training. They were bound to no system. Their minds had been kept alert by their practical problem in private enterprises. Their sense of initiative had not become atrophied in an atmosphere of ancient theories. They developed into valuable men for the emergencies of the day over there because the background of their lives before they joined the war was full of actual problems."

I think this officer spoke a truth that is fundamental. He had come from the real life of the civilian, not the artificial

life which is presumed necessary to fit the professional soldier. In real life from which these civilians came there was one unvarying standard of success—a man must make good. If he held a position requiring efficiency, it was a position won and kept by actual merit. In this practical school there was no protection for an inefficient man, no masonry of military cohesiveness that kept a man in a position where he commanded other men even though he was markedly unfit to lead.

The professional army has some instincts that resemble the rules of a mutual benefit association—the strong men carry the load and the weak men keep their jobs. The elasticity of a system in which a man must make good in order to hold his job is conspicuously absent from the West Point condition.

There were splendid officers from the West Point group. Their success was due more to their native talents than to their professional army training. This was proved over and over again by the continued presence of notorious unfit officers of the regular establishment who had graduated from West Point and served long and colorless careers. Although they were conspicuously weak, they kept commands.

The army administrators did not know how to get away from set rules. One of the more ghastly manifestations of this fact was the manner in which they handled the casualty reporting from France. They chose deliberately a system which was bound to fall down. It disregarded every simple and direct method, and introduced such a highly organized system of inefficiency, that it was bound to give us the result it has given us today, with the war eight months in the background, we are still receiving casualty reports.

When an intelligent civilian pointed out to the chief of the casualty bureau the fact that the ponderous system the army had adopted was bound to result in a long delay, and suggested that the simple method of reporting casualties direct to the United States from the hospital bases and divisional areas be adopted, the haughty chief stared at the civilian and said, "I never heard of such a thing."

When the civilian replied that it was the identical system used by the British army, and that through this more simple

method of reporting casualties direct, instead of sending them around through a central records office in France, the British army reported all of its casualties within ten days or two weeks, the officer said:

"Just because one army wears red pants is no reason why our army should wear red pants."

Yet this regular army officer, whom I knew very well, was neither unintelligent nor consciously inconsiderate of the rights of the next of kin. He was merely joined to his red tape and you had to let him alone.

I realize that all the criticism now being visited upon the regular army system is of no avail unless it produces for the future a system which is better than the one we have had in the past. That we must have professional training to create a proficient army, is of course, obvious: and it ought to be the frank and eager effort of every American to save what is good in the present situation without continuing the growth of its faults.

The suggestion has been made that West Point shall hereafter be a finishing school rather than a training school. This plan would have some strong arguments in its favor. A lad selected out of a political potpourri who goes to West Point at seventeen years of age and grows up in that atmosphere is no longer a rounded citizen. He is a soldier, trained to fight in a certain way. He has missed all the opportunity of becoming a generally informed citizen. He would be a better officer if he had taken a course in liberal education in a civilian university, studied along with his other departments of knowledge the fundamentals of a military education and gone to West Point for a finishing course. His mingling with other citizens in a civilian university life would have given him a breadth not possible to attain at soldiers' professional school.

The suggestion has also been made that no man should be admitted to West Point until he has served a period in the ranks and become acquainted with the rights and the duties of a private soldier from the private soldier's viewpoint. The advantage of this is palpable. Such knowledge would have

saved from being failures in their commands a good many West Pointers during the past two years.

All of our history has proved that our wars in the last analysis are fought by civilian soldiery, the regular army being used as a sacrifice to hold the line while the civilian forces are coming up. What we need, of course, is a system which will guarantee the growth of a sufficient military intelligence to provide officers for the future. The composition of the differences between West Point and the National Guard, so that each may be strengthened, is greatly to be desired.

It has been suggested that National Guard officers and reserve officers of proved ability should be permitted to enter staff schools and the war college. Every opportunity should be given to develop real leadership. No man can be a successful officer without this natural quality. Any man with this natural quality and an educated mind can be turned into a first class officer. No amount of education can make a man without this quality a brilliant officer.

Possibly the best American system would be to have a small regular army, with a well trained force of officers qualified to aid in the training of a great force of citizen soldiers, these soldiers to come from men who are not permitted to carry on their occupations and at the same time have an extensive military training. There can be no doubt as to the benefit of military training. Every man who is returning from France today attests it, though most of them oppose the idea of a compulsory system. The National Guard units in this war proved that men who have had even a limited training are of great value.

I have heard it suggested both by regular and civilian army officers that residence of officers at army posts should be abolished. They should be obliged to live in communities where they would be in touch with citizens. More of them should be detailed to the National Guard as instructors. The contact with this civilian atmosphere would be broadening.

If in creating the new system of training officers an effort should be made to use West Point as a finishing school and the staff colleges as post-graduate institutions, it is suggested that every officer should have preparatory education in some

American college. This would broaden the citizen instinct of the officer and give him a better grasp on his work when he comes to the emergency which demands that he train soldiers taken from citizen life.

I have often heard the suggestion within the past two years in France, when the subject of army reorganization has been under discussion, that our professionally trained officers in time of peace should be detailed to service in telegraph offices, railroad enterprises, manufacturing concerns, store-keeping, and other practical commercial institutions which constitute a part of the nation's war strength in the time of trouble.

No re-organization of the army system would be, of course, complete which did not take into consideration the need of a broader education for the staff. The recent war has proved the need of more comprehensive intelligence touching the resources of this country in order that, under the stress of a hurried call, the mobilization of our resources may be secured with more celerity and at less expense. Staff officers should have intelligence in these matters similar to the best intelligence possessed by the leaders of industry, whose services were finally summoned in the recent conflict. The last hour of a conflict, which must have appeared inevitable to the administration for many months, found the army staff wholly unprepared for a general mobilization of our resources and without an adequate conception of what we had or what we would need. The utter failure in relation to this important matter cost the nation untold wealth and a poignant sacrifice of life.

GOVERNOR COOPER—Gentlemen of the Conference: I wish to voice my appreciation of all that has been said with reference to the National Guard. I am in hearty sympathy with every statement contained in the very able paper just read by Governor Sproul. What he says is absolutely true. I also most heartily approve what has been said by the previous speaker, Governor Allen. During our preparation for sending troops to Europe in the recent world war the National Guard of Pennsylvania trained at Camp Hancock, Georgia, just across the South Carolina line; and

the National Guard of New York trained at Spartanburg in South Carolina. The people of my state had the opportunity therefore, for a personal acquaintance with many of the men of these two divisions, and found them to be of an unusually high type of clean men, and everything that could be desired in a soldier.

The soldiers of the National Guard of Pennsylvania and New York were the very best of their citizenship. The Thirtieth Division composed of National Guard troops from the states of North Carolina, South Carolina and Tennessee trained at Camp Sevier, near Greenville, South Carolina. The Twenty-seventh and Thirtieth Divisions when they went across were brigaded with the British and these two Divisions have been given credit for breaking the Hindenburg line. New York Guardsmen fighting side by side with the Thirtieth Division troops justified every confidence placed in them by the states and the Federal Government. General O'Ryan, who commanded the Twenty-seventh Division made the statement in a telegram to me that the Twenty-seventh and Thirtieth not only broke the Hindenburg line, but smashed forever the Mason and Dixon line.

I mention these matters to show that these men not only contributed an irresistible fighting force, but they have contributed largely in strengthening the ties between the states represented. It is to these troops that the governors of the respective states must look in case of domestic troubles. The law must be respected, peace must be maintained, and it is to the National Guard we must look if conditions get beyond the control of civil authorities. It may be said, and has been said, that the regular army could be available in such cases. This to my mind is impracticable. It would be resented by states. I feel that it is essential that the states have an available, efficient military force subject to the call of the governor at all times. In my own state not very long ago we had an industrial strike. It looked as if the civil authorities would not be able to control the situation. I ordered out a company of the National Guard, citizens of the community, men whom everybody respected; and the very moment they ap-

peared on the scene rioting ceased, the rioters dispersed and went to their homes, and order was immediately restored.

What did the National Guard do in the recent world war? They did not have the advantages by way of experience, and preliminary training that the regulars had, and yet if you will examine the records in Washington, I am satisfied that you will find that members of the National Guard divisions won more medals of honor in proportion to their number than any other troops on the front. I am proud to say that in my own state one National Guard regiment won six medals of honor. The National Guard has demonstrated its willingness and its ability to serve the people of their country. I sincerely hope that the governors present will take this matter up with their representatives in Congress with the view of securing such legislation as may be necessary to provide for the re-organization of an efficient National Guard. If a minimum of one hundred men per company is insisted upon it will, in my judgment, confine the organizations to communities of dense population. Prior to the war the minimum strength of each company was sixty-five men, and I believe it would be decidedly better to maintain this minimum strength. With this minimum strength existing prior to the war with the record for efficiency of the National Guard during the war, there seems to me to be no real reason for changing it, and if it is changed it will tend to discourage recruiting, retard and seriously handicap the re-organization.

This is the only criticism I have now of the War Department. But I think it also advisable to have a separate bureau in the War Department officered by National Guard men. Unfortunately there is not the best of feeling between National Guard and regular army officers. Whatever may be the reasons for this feeling it is sufficient for the purpose of this discussion that it exists. It is the general impression that the West Point officers do not have the proper appreciation of the citizen soldier. It may be that the citizen soldier does not have the proper appreciation of the West Pointer. Whatever may be the argument pro and con, I am satisfied that the interest of the service will be promoted if we had a separate bureau for the National Guard.

Do not understand for a moment that I am advocating, in case of an emergency, that the two should not become one great army. That could be done as it was done in the recent war.

Now let me mention one other matter. I believe conditions in my own state are as good, if not better, than in any other state with which I am familiar, and yet I feel that I am standing on the very brink of a volcano and believe that is true throughout this entire United States. I believe that it is the part of wisdom to be ready for any emergency, and have force at our command, trained and equipped to handle any situation that may arise. I believe that we should not temporize with conditions that now exist, but should deal with them firmly and justly. I am unable to point to any specific instance, or give any specific reasons for this statement, and yet I have that feeling. I believe that the unrest that is being manifested everywhere is probably more serious than we think. I believe that a condition may arise any time which will test the strength of our respective state governments, and if it does, we must be ready to show that the law can and will be maintained, and its violation will not, under any circumstances, be permitted. The National Guard has demonstrated its ability to repel the enemy in time of war, and to maintain the majesty of the law in time of peace. What more do we want?

Gentlemen of the Conference, I am sure we all realize the importance of the matters discussed, and I trust that we will join together and urge the Congress of the United States to adopt such amendments as may be necessary to aid in the speedy re-organizations of the National Guard in the various states.

GOVERNOR ROBERTSON—GENTLEMEN: I wish to voice my approval and appreciation of the splendid paper which has just been read by the Governor of Pennsylvania. It shows that he has devoted much time and thought to the consideration of this very important question, and that he is thoroughly conversant with the subject, not only as it applies to his State, but the Nation as well.

I wish to emphasize also, and impress upon all the governors, the necessity of immediately getting busy with their members of Congress in reference to the reorganization of the army and the proper recognition of the merits of the National Guard in the various states.

Another thing that impresses me as being very important is the lack of armory facilities in the various states. I know in my own state one of the chief obstacles to the successful organization of the National Guard is lack of armory facilities. I am told that there is an effort being put forth at present on the part of the various Adjutant Generals to ask the Federal Government to furnish armory facilities for the use of the Guard. I am not certain whether this is a good thing or not. It might be of value in a new state like my own where we have been unable to provide suitable armory facilities, and yet might not be appreciated by the older states which already have made provision for such service.

As a general proposition, I am very much opposed to the Federal Government doing everything for the states, although I realize that we have got into the habit of accepting everything it offers and refusing nothing. And besides, it seems that we have fallen into the habit of asking for everything from Congress, a very deplorable condition, I assure you.

I would like to make inquiry from the Governors present as to whether or not this movement for Congressional aid for armory facilities has been brought to their attention, and if so, what they have done with reference to it. In Oklahoma we have experienced no difficulty in reestablishing and maintaining the Guard. When the war began, we had but one regiment and, of course, it lost its identity, but since the armistice we have recruited two regiments and a battalion of a third, and have experienced no difficulty in securing a high class personnel. As for officers, we are in better condition than ever before, because we have availed ourselves of the experienced returned soldiers who, as a matter of course, are efficient.

I cannot agree with my good friend, the Governor of Kansas with reference to West Point. I know there is a strained

feeling between the officers of the regular army and those of the National Guard, and I realize that there was some ground for it. I feel, however, that an institution that has brought forth men like Grant and Lee, Sherman and Johnston, Pershing and Bullard, and numerous others that I could name, who are known to all present, ought not to be impeached and criticised on flimsy and uncorroborated testimony. I think West Point is a wonderful institution and has furnished the world with some of its finest soldiers. The American Army and Navy need no apologies from any man, anywhere, and if there is any fault in the organization of the army or the manner in which it has been managed, I submit that it is such a fault as has cropped out under a stress of great emergency like that through which we have just passed. It only needs a little time to correct these abuses and eradicate these faults, and I feel, in justice to the men that West Point has produced, that it is unfair to criticise the institution simply because some have proved to be martinets.

I am very much interested in the successful organization and maintenance of the National Guard, and feel that it is essential that this organization be controlled very largely by the states.

I was deeply impressed by the remarks of the Governor of South Carolina who has voiced the sentiments, I take it, of every Governor here today, when he touched on the unhappy conditions which exist in the States and the Nation, especially with reference to the political and social unrest, and the difficulties that we meet in the labor world. In our own state, the National Guard is at present mobilized in annual encampment, and in a letter from my Adjutant General he tells me that the esprit de corps of the men and officers is splendid, the discipline is thorough and satisfactory, and that the percentage of attendance is better than ever before in the history of the Guard of the state.

I agree with Governor Allen when he says that the number of a company should not be more than sixty-five men. The present regulations making the number one hundred, cause us to experience some difficulty in maintaining the number in the smaller county seat towns. I think the Congress

should listen to the wishes of the Governors of the various states and the friends of the National Guard in matters of this kind, because their knowledge of conditions is of more value than those who are unacquainted with the facts.

FORMER GOVERNOR SPRY (Utah)—I should like to suggest this thought to the Governors. In a force composed entirely of citizenry of the States in which they are situate, would there be a sufficient amount of that feeling referred to by Governor Cooper, that resentment that seems to be growing and increasing in this country at an alarming rate, the alignment of labor against capital, or capital against labor, would there be a sufficient quantity of that force in the National Guard in the event of their being called out to quell a disturbance arising in an industrial community, as to give rise to some difficulty in enforcing the law through a medium of that kind? I know Texas has tried to avoid that difficulty by the appointment and using of State Constabulary, an organization separate and distinct from the National Guard, and from the reports which I have received this organization has been most effective in reaching the desired result.

GOVERNOR SPROUL—I think I can answer that by a very typical example of trouble of that nature in an industrial state. We have had several disturbances of that kind. Of course, we have had our State Constabulary of 620 men. I have seen one outfit control just such a situation in a town of 100,000. The people of our state respect them, and they know they are out for business, and that they will follow up the situation. People have as much respect for them as our neighbors have for the Royal North West Mounted Police. They know that any man who offers an affront to, or who interferes with those police will be pursued, and eventually punished no matter what degree of time may have elapsed.

In the great industrial disturbances which took place during the railroad strike in 1877, in the district of Pittsburg, and in the repeated misunderstandings and troubles in the great coal centers throughout our state, the National Guard has been called out, and although made up of citizen soldiers, no organization, no detachment of National Guard

has ever been known to "lay down" in the performance of its duty.

GOVERNOR STEWART—Gentlemen: This, to my mind, is the biggest question before us today. I was indeed pleased with the paper of the Governor of Pennsylvania I think he hits the keynote exactly.

I was struck by the statement of the Governor of Kansas, and also by the counter statement of the Governor of Oklahoma.

The Governor of Kansas was right; there is no question but what the general staff at the opening of the war was determined that this war should not bring forth any more great civilian soldier heroes, that there should not be another Roosevelt, or Grant, or Funston, come from the ranks, and they saw to it that it was not permitted to be done.

I believe with the Governor of Kansas that the West Point system of education has made for the production of a spirit which does not typify this country as a democracy. Yet because that spirit has grown up, we ought not to abolish West Point; we ought rather to seek means for its reformation.

We have a condition in some of our universities wherein we are taught that our present form of government is not the proper thing, yet we ought not to seek to abolish our universities, we ought to reform them.

We ought to reform our military organization down to common horse sense.

Now to my mind the great danger to our country today comes from the propaganda of internationalism. We were taught that we owed a respect, reverence, loyalty, and devotion to the government of this country and to the uniform of this country, and internationalism sets up a devotion and loyalty to a class, which is the very thing our forefathers sought to get away from when they first migrated to this country. They abolished class and they tried to put our citizenship upon such a basis as to permit of any man obtaining the benefits and advantages of his citizenship in this country if he only measured up to the true, the finer standard of a "Man."

Today internationalism comes in and says to a certain class of individuals, you are no longer to respect your neighbors if such neighbors happen to possess more money than you have. You are not to consider them on the same plane as labor, unless they are occupied in the same kind of trade or some similar occupation.

If, therefore, we can get the National Guard re-organized on such a footing as to command the respect of the people throughout this country, it will not only act as a means of defense, but it will constitute a tremendous power in the dissemination of the real propaganda of true "Americanism," and command respect for the flag of our country, the Government and Constitution.

It is time this was done because a good many of our young men have come back from the front slightly tainted with the idea of internationalism; believing that by banding together and taking things into their own hands, they can run the country. The real laborers, men of ability and capacity, if they can be brought to compose themselves into the National Guard where they will be able to take part in the public force of this country, we believe will be able to offset that.

We have realized for a long time that it was almost impossible to maintain the National Guard in industrial centers because of the position there of the labor organizations.

In 1914 there broke out in certain industrial communities of my own state, certain industrial disturbances which we thought were purely local. Since then we have come to realize that it was part of a general, and well defined plan.

We had the National Guard organized in rural communities and districts, because in great industrial centers men were ostracised, and even driven out of the community, if they were seen on the street in the uniform of the National Guard. That also was true of other communities, not only in our state but elsewhere.

The result was that we had small companies, something which is not possible under the present scheme, in the rural districts. There the boys held social affairs, such as dances and so on, and the boys would put on their uniforms, mingle with the people, and the people were proud of them, but im-

mediately they went into the industrial centers, instead of that uniform being a badge of pride, the men were pointed out as objects of ridicule and derision.

In these difficulties in 1914, it became my duty, as Governor of the State to mobilize the National Guard and send them into action. The disturbing elements threatened that if the National Guard were sent in there, they would take their cigarettes out of their mouths and cram them down their throats. The National Guard of Montana had received training and drill, and understood what they were there for, and they moved in, in a courteous, gentlemanly and firm manner, and they took charge of the situation, and there was no bloodshed, nor was there a life lost and as Governor Sproul has said, just as soon as they appeared the people who had been rioting and making threats, disappeared and the idea that a National Guard cannot go into our industrial community in our state has been most effectively dispersed.

Today I think it is possible to organize a National Guard in the industrial centers, and if we can do so, we will not only be able to afford protection to the people and to the property of the state in time of trouble, but we will be able to show the people that there is still respect for the uniform of this country; that the authority of the government is not a thing far removed from the people, but is a thing of the people, and exercised by the people, just as the right of franchise.

I am heartily in favor of the proposition to get the last rules and regulations, so far as they apply to the National Guard so modified as to permit of the organization of small units. We must not forget that the draft law reached out to every nook and corner of this country, and there are boys in rural and far away communities who have come back feeling that they got the worst of it from the military bodies of the country, and as time goes on they will be a little further antagonized. If we are not careful we will have on the one hand a spirit of internationalism and on the other a spirit of militarism, which will inevitably crash with dire and tremendous results to the people of this country.

GOVERNOR LARRAZOLA—Governors, I will not take up much of the time of the conference. I think we are all agreed upon the absolute necessity of maintaining the National Guard in every state.

I have been very much impressed by what has been said on the subject, and I absolutely concur with the main ideas prevailing at this gathering of Governors.

In my opinion the Governor of South Carolina has well expressed the real danger that is spreading and the crying necessity for the maintenance of an efficient National Guard in each state.

Therefore, believing that we are all agreed upon that subject and for the purpose of presenting the opinions of those present, and putting them into practical form, I move that a committee of three be appointed by the chair, charged with the duty of drafting and preparing a memorial to the Congress of the United States embodying the ideas and opinions as expressed by this gathering.

GOVERNOR ALLEN—I second the motion.

GOVERNOR BICKETT—I move an amendment to the motion. I move that the secretary be requested to have the notes of this discussion transcribed at once, including the paper read by the Governor of Pennsylvania and the addresses by the several Governors here today on this subject; that this typewritten transcript be at once sent by him to the Governor of each State of the United States; and he request that each Governor carefully read the transcript, and then at once sit down, and in the light of this discussion, write to each member of Congress from his state setting forth his views on the subject.

Now I think that will get results. The members of Congress from my state do not resent at all my writing to them on any subject. They are all friends of mine, and they know that I know, and they want to know, what the people of the state are thinking and speaking about. They are aware that the Governor of a state has a better and more intimate knowledge of what the people at home are thinking about, than the whole of the delegation of Congress put together.

I think we shall get more definite results in that way than if you approach the government with the views of this gathering in the form of a memorial.

GOVERNOR ALLEN—I second that motion also.

GOVERNOR LARRAZOLA:—Do you think, Governor Bickett, that your motion could not be expressed in a formal manner in the memorial.

GOVERNOR BICKETT—The objection which I have to the memorial is that some of the members of Congress may resent the action of the Governors' Conference in presuming to dictate what they should do.

GOVERNOR LARRAZOLA—I made my motion with the view of giving something tangible to the proceedings, and I now with the consent of the seconder withdraw it.

GOVERNOR ALLEN—I concur in its withdrawal.

THE CHAIRMAN: Do you make that in the form of a motion, Governor Bickett?

GOVERNOR BICKETT—Yes.

THE CHAIRMAN—Are you ready for the question; those in favor will kindly say "aye"; to the contrary "no"; there being no one to the contrary, the "ayes" have it and the motion is carried unanimously.

THE CHAIRMAN—Those of the Governors present who have not expressed themselves should I think, prepare a written statement of their views which can be added to the statement of those present who have spoken on the subject. In that way we shall get the real concensus of the opinion of all the Governors on this most important subject.

I know of no subject which is of more importance, and it would be well for each one of the Governors to transmit his views in writing.

GOVERNOR OLCOTT—I have one matter here which I should like to discuss. It pertains to the Military Air Patrol and to the extension of the service. I would like to bring

this matter before the Conference on a letter which I have received from Colonel H. H. Arnold of the Western Department at San Francisco. I would like to put it before the Conference if it is not too late.

GOVERNOR BAMBERGER—I would suggest that as it is now time we should be leaving if we are to go to the Tabernacle, that this matter should be brought before us during the next few days while we are together in the Park.

THE CHAIRMAN—I may say that I was handed a note during the discussion, but because of the shortness of time I did not see fit to call the attention of the Conference to it before. It is from Mrs. Garnett, asking permission to address the Conference on behalf of the women of Utah on the cause of woman suffrage. The request is made for five minutes' time to put it before the Conference. As the hour is now very late, with your permission I presume I may say that each of the Governors will be available at a later hour for a personal interview with the ladies.

The Conference thereupon adjourned for a trip through Yellowstone Park. Informal discussions of the several subjects presented to the Conference were held on this four days' trip, but were not reported.

Upon the conclusion of the Yellowstone Park trip the Eleventh Annual Session of the Governors' Conference adjourned *sine die*.

APPENDIX

A

OUTLINE REPORT OF THE COMMITTEE OF GOVERNORS SELECTED BY THE GOVERNORS' CONFERENCE TO CONFER WITH THE PRESIDENT AND ASCERTAIN IN WHAT WAY THE STATES CAN BEST COOPERATE WITH THE FEDERAL GOVERNMENT IN COMBATING THE HIGH COST OF LIVING PROBLEMS.

DECLARATION ADOPTED

The Governors of the States of the United States, in Conference assembled at Salt Lake City, Utah, this 19th day of August, 1919, declare:

That we recognize in the high and in many instances the excessive cost of necessities throughout the Nation the cause of much of the unrest now prevailing:

That it is highly important that prompt and effective action be taken by Federal and State authorities to the end that the situation may be remedied;

That it is, therefore, the sense of this Conference of Governors, that, in addition to exercising all power and authority vested in the States, a committee of seven Governors be selected to forthwith go to Washington to confer with the President, with a view of ascertaining in what manner the States may best co-operate with the National Government in remedying the situation, and at once advise the Governors of the several States of the results of their conference with the President, and, if in their judgment necessary, again convene this Conference at a time and place to be determined by them.

COMMITTEE NAMED

The following committee of Governors was selected by the Conference:

Governor F. D. Gardner, Mo., Chairman.

Governor Wm. C. Sproul, Pa.

Governor Samuel V. Stewart, Mont.

Governor Thomas E. Campbell, Ariz.

Governor R. W. Cooper, So. Car.
Governor J. A. A. Burnquist, Minn.
Governor C. E. Milliken, Me.

CONFERENCES AT WASHINGTON

The committee convened at Washington on Friday morning, August 29th and held conferences that day as follows:

10:00 A. M. With Attorney General A. Mitchell Palmer at his offices.

2:15 P. M. With the President at the White House.

STATEMENT ISSUED BY COMMITTEE

Following the foregoing Conferences the committee issued a statement as follows.

"After our meetings with the President and Attorney General, certain facts are clear:

1. That all the people of the nation and all organizations should immediately co-operate for the purpose of increasing the production of the necessities of life.

2. That economy in consumption and care in purchasing the necessities of life are equally important with production.

3. That every agency of the Federal and State governments should co-operate forthwith to prevent profiteering.

4. The suggestions of the Attorney General that a fair price commissioner be appointed in each of the states and fair price committees in the different localities of the states, upon the nominations of the Governors, was approved."

COOPERATION OFFERED AND ACCEPTED

The committee offered to both the President and the Attorney General the fullest cooperation from the States in meeting and combating the high cost of living problems. The offer was cordially received and accepted.

Preliminary to stating in a concrete way the lines of co-operation by the states that will be most helpful, the Attorney General outlined in a general way some of the important of the several causes contributing to the high cost of living that can in part at least be remedied.

These are:

1. Subnormal production
2. Abnormal consumption or extravagance.
3. Abnormal purchasing (including hoarding.)
4. Profiteering.

He then explained the remedial steps taken and proposed to be taken by the Department of Justice. These are:

I. *Extensive Publicity* designed to:

- a. Increase production.
- b. Moderate consumption
- c. Offset the "Buy now and avoid higher prices" slogan which was characterized as propaganda to increase prices.
- d. Assure and convince the people that prices will not go higher
- e. Convince the people that the government means business.

II. *Rigid Enforcement and Intensive Administration of All Existing and Proposed Laws Enacted to Prevent Profiteering.*

This contemplates:

- a. Prosecutions under criminal statutes.
- b. Price control under the Bill now pending before Congress which empowers the Department of Justice to appoint a "Fair Price Commissioner" in each state, which officer in turn is empowered to appoint local "Fair Price Committees." This Bill, which it is expected will be law by the time this report reaches the Governors, provides severe penalties against unjust and unreasonable prices, and prescribes that prices higher than those fixed by the "Fair Price Committees" are prima facie unjust and unreasonable. A copy of this bill is attached hereto. Wearing apparel, including shoes, as well as food stuffs are embraced within its provisions

COOPERATIVE ATTACK

It was submitted that the states can help at once "enormously" by cooperating in:

1. Conducting the publicity campaign above outlined through the executive offices or the offices of the state councils of National Defense.

2. Preventing profiteering:

- a. By rigid enforcement of violation of state anti-profiteering acts.
- b. Reporting to the Department of Justice violations of the Federal Anti-profiteering acts.
- c. Administering the provisions of the Federal price control act.

ADMINISTERING FEDERAL PRICE CONTROL ACT

It was suggested that the former food administrators of the states, because of their experience, are best fitted for the position of "Fair Price Commissioners." These men have been asked to act. In case the former food administrator of any state cannot act, the Governor is requested to recommend to the Department of Justice a "Fair Price Commissioner" for his state.

There should be a "Fair Price Committee" for each county in each state to be composed about as follows: a wholesaler, a retailer, a representative of the housewives, and a representative of the general public.

The Department of Justice has funds wherewith to provide clerical assistance for the Commissioner and committees, but has not sufficient funds to pay either the Fair Price Commissioner or the members of the Fair Price committees for their services.

Judge Ames of the Department of Justice will furnish each Governor with an outline of a model state organization and with other information pertaining to this act.

The Fair Price Commissioner and his Fair Price committeemen will be Federal officials. It was suggested by Governor Sproul of Pennsylvania that the states forthwith recognize these officials to the end that state and local agencies may be brought into close touch and cooperation with them.

The Attorney General expressed a desire to decentralize as much as possible in the administration of this price control act, and to rely upon local efforts, but added that in case of failure of any locality to act, or in case of unsatisfactory results in any locality, the situation in that particular locality would be handled directly by the Department of Justice.

EXPIRATION OF FOOD CONTROL ACT

The Food Control Act expires upon the ratification of the Peace Treaty. Congress has been or will be asked to provide a similar act to govern thereafter. The adoption by the states of effective food control acts, for operation within their respective jurisdictions, was suggested. These include cold

storage acts. The text of the cold storage acts of Delaware, California, Indiana, Kansas, New Jersey, Massachusetts, New York and Pennsylvania will be found in the Congressional Record of August 13, 1919, at pages 4093-4097.

APPENDIX

B

CONFERENCE ON COAL SITUATION

Late in November, 1919, Governor Frederick D. Gardner of Missouri, chairman of the Governors' Conference Committee on high cost of living, called a conference of the Governors of ten states to be held in Chicago on November 30 to discuss the coal situation made acute by the nation wide strike of coal miners. The Governors of Illinois, Indiana, Iowa, Kansas, Missouri, Oklahoma and Tennessee attended.

At the close of a full day's conference, the Governors present formulated recommendations and determined upon a plan of procedure which is set forth in the following copy of a telegram sent to Dr. H. A. Garfield, Federal Fuel Administrator, and Hon. A. Mitchell Palmer, United States Attorney-General, Washington, D. C.:

At a conference of the governors of the States of Illinois, Indiana, Iowa, Kansas, Missouri, Oklahoma and Tennessee, held in the City of Chicago on the 30th day of November, 1919, with reference to the coal situation, it was unanimously agreed:

1. That a more complete fuel administration organization for the country be perfected by the appointment at once of a fuel administrator in each state, to be recommended by the governors, to be compensated by the federal government and to have full charge and control of the distribution of all coal available for his state.

2. That in view of the statements of Director General Hines to the effect that the production of soft coal is now 40 to 50 per cent of normal, and in view of reports from other sources that the production of hard coal is now above normal, all coal mined and in stock in the United States, both soft and hard, should be distributed equitably among the forty-eight states on a basis of their needs as developed during the war, regardless of the states where mined.

3. That rigid and uniform rules and regulations for the greatest conservation of coal throughout the Union be forthwith established, promulgated and enforced.

4. That the respective state governments take all possible steps to insure the production of coal.

5. That Miles C. Raley, secretary of the Governors' Conference, be directed and delegated to proceed to Washington to present to the authorities the seriousness of the situation in the states and to remain in that city temporarily as a representative of the governors.

6. That this conference of governors convene again on December 7, 1919, in St. Louis, at the Jefferson Hotel, to further consider and confer on the coal situation.

Before proceeding to Washington the secretary forwarded to the respective Governors the following telegram:

"As directed by Governors who met Chicago Sunday on coal situation will today go Washington to present seriousness situation in states. Remain there until Friday afternoon as representative those Governors. At New Willard should you desire telegraph directions or regarding situation your state. Letter follows."

The secretary arrived at Washington on the morning of December 4, and after analyzing the numerous telegrams received from Governors, and before preparing the analysis for presentation to the authorities, made engagements for that purpose for the following two days. During those two days conferences lasting in all approximately seven hours were held with Dr. Garfield, Director General Hines and The Central Coal Committee. These conferences continued with highly satisfactory progress, and were discontinued only after public announcement was made of the successful culmination of negotiations to end the strike and to relieve the situation.

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